



## Thinking Outside the Row Crop

*New Ventures Mean New  
Revenue for Moreland Family*

Page 10



## Agriculture in the Trump Era

Page 6



Spring 2017

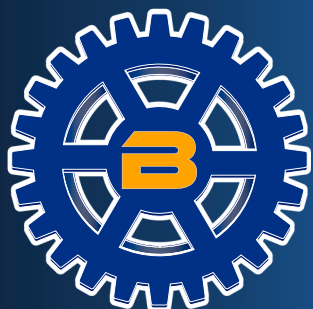
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# CONTENTS

SPRING 2017 • VOL. 2 NO. 2



6



10



18

## FEATURES

6

Agriculture in the Trump Era

10

Thinking Outside the Row  
Crop: New Ventures Mean New  
Revenue for Moreland Family

16

MFA Oil 2016 Fiscal Year  
Audit Report

18

The Danger Zone: Grain Bin  
Entry is Risky Business

22

MFA Oil Hosts Inaugural Young  
Farmers Conference

24

Farmers Needed for Missouri  
Strip Trial Program

## DEPARTMENTS

Letter from the President ..... 4

*Working Hard to Better Serve You*

The Big Picture ..... 14

*Greenhouses Thrive with Propane*

Market Commentary ..... 26

*Propane Contracting – It's a Hit*

From the Board ..... 28

*Putting the Right People in Place*

Acquisitions ..... 30

*New Acquisitions in the Bootheel & Mid-South*

News Briefs ..... 31

Giving Back..... 32

*Turning Terror into Determination*

Department Focus ..... 33

*Bulk Oil Drivers Keep Customers Well Stocked*

Automotive..... 34

*Gear Up Your Vehicle for Spring: 10-Step  
Maintenance Checklist*



Photo by Anthony Jinson

## Working Hard to Better Serve You

**A** As a farmer-owned cooperative, we strive to make sure everything we do at MFA Oil is in service of the membership and meets your energy needs. On a day-to-day basis, this consists of negotiating with vendors to get the best combination of pricing and quality, watching world energy markets, conducting employee training sessions, and much more.

We are immersed in the energy business on a 24/7 basis for the purpose of constantly improving our fuels, propane and lubricants businesses. Why? Well, first of all, it's our job to do so, but more

importantly, we take our responsibility to you, our farmer-owners, seriously. That means doing things the right way and consistently meeting your expectations.

Recently, we have been examining the ways we can help you better focus on what matters most to you: making a living while raising the highest quality grain and/or livestock you possibly can. We hope doing business with MFA Oil will be so easy you can practically “forget” about managing your energy needs.

You may think to yourself, “Oh sure, they want us to forget about the energy business so they can overcharge us for our fuel, lubes and propane.” Nothing could be further from the truth. We

are committed to being a competitive supplier. It's the primary reason this company was founded so many years ago and, frankly, it's in our DNA.

Although MFA Oil can't help you increase your yield or keep your livestock healthy, we can be a benefit to you in other ways. Our goal is to develop services so convenient and effortless you can spend more of your time on the areas of your operation that truly demand your attention.

For instance, we could watch your fuel inventories with tank monitors. Doing so could help us plan our deliveries without requiring you to call us every time you need product. We can also structure your

invoicing in a manner that best fits your needs (e.g., online bill pay, autopay, etc.). These are the types of things we can do to allow you to almost “forget” about your energy needs.

Improving your bottom line is another way we can help. The energy costs to take crops and/or livestock to market on average represents 10 percent or less of farmers’ overall input costs. We recognize that every dollar matters, so we are committed to doing our part to help you improve your farm’s profitability. We are testing a pilot program designed to reward customers for allowing us to keep them on a scheduled delivery route. Benefits of such a program include:

- Customers will receive a discounted price for agreeing to receive scheduled deliveries. These discounts will be consistent and substantial.
- Our drivers appreciate making less frequent, larger deliveries. Reducing the number of deliveries they have to make improves their safety.
- Scheduling deliveries allows us to be more efficient with our fleet. Improving our efficiency means we spend less on operations, which ultimately translates into more money going back to the membership.

It’s a truly win-win scenario. Does this mean we won’t do “Will Call” deliveries? Of course not. We are still here to serve our customers and farmers, no matter how they choose to be served. But we hope the savings will make it worth your while to allow us to fill your tank in the most efficient manner possible.

Will we make some mistakes? Most likely, but the reality is the odds of a mistake drop significantly as the efficiency of our fleet increases. We’ve invested heavily in new equipment during the last few years, from new 10-wheel delivery trucks to crane trucks to service vehicles. Gone are the days when our people had to compromise



their safety because they were working with subpar equipment.

We will share more information regarding the discount structure for scheduled deliveries soon. We are excited about this program, and we think it has the potential to be a real asset to your operation as well as make your life a little bit easier. At the end of the day, you will decide how you want us to serve you, and we thank you for choosing MFA Oil!

Cooperatively,

Mark Fenner  
President and CEO



#### ON THE COVER:

Matt and Becky Moreland, with daughter Kinze, have embraced agritourism as a new source of revenue for their farm. Photo by Vanessa Hargrave.



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This magazine comes to you courtesy of MFA Oil Company, a farmer-owned cooperative providing energy solutions to customers for more than 85 years.

We deliver high-quality propane, fuels and lubricants to farmers and other customers across a 10-state region stretching from Georgia to Utah. *Momentum* is an information service for farm families published by MFA Oil.

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# AGRICULTURE

*in the*

# TRUMP ERA

By Adam Buckallew



President Donald Trump's victory in the November election was fueled in large part by big wins he secured throughout rural America. Many farmers supported Trump and now they are cautiously optimistic their faith in the new commander in chief will be rewarded with policy that is more advantageous for agriculture. Though the Trump administration has already begun to remold U.S. policy, many of the specifics of his vision for agriculture remain murky.

"In some senses he's known, in some senses he's unknown," said Gary Marshall, CEO of the Missouri Corn Growers Association while addressing the state's corn growers during the association's annual meeting and legislative day in January. "I think he's more unknown than known."

Uncertainty may concern some farmers, but others see potential opportunities for long-awaited regulatory repeals, tax reform and a fresh look at trade pacts.

## REINING IN REGULATIONS

Trump has quickly prioritized eliminating the federal red tape he believes has overburdened American businesses' interests. An unofficial tally conducted by the New York Times estimated more than 90 regulations had been delayed, suspended or reversed by federal agencies and the Republican-controlled Congress as of March 5.

"We're going to be cutting regulation massively," but the rules will be "just as protective of the people," Trump told reporters following a meeting with business leaders shortly after he took office.

This is music to the ears of farmers and ranchers who feel the Obama administration too frequently overstepped its authority.

"All industry, not just agriculture, has been inundated with regulations over the course of the past eight years," said Gary Wheeler, executive director and CEO of the Missouri Soybean Association. "The Waters of the United States (WOTUS) rule that was issued by the Environmental Protection Agency (EPA) is a prime example of burdensome overregulation that hinders farmers' freedom to operate."

When President Trump signed an executive order directing the EPA to review its controversial WOTUS rule, he was met with cheers from agricultural organizations

around the country. Farmers feared WOTUS would give the EPA oversight of waters in ponds and ditches.

The rule, which was intended to define which small bodies of water were subject to federal authority under the Clean Water Act, has been on hold since a U.S. appeals court issued a stay to block its implementation in October 2015.

In addition to dismantling existing regulations, Trump has signed executive actions to, as he says, “knock out two regulations for every new regulation” implemented by federal agencies. It’s all part of the administration’s plan to begin what White House Chief Strategist Steve Bannon refers to as the “deconstruction of the administrative state.”

“If you look at these cabinet appointees, they were selected for a reason and that is the deconstruction,” Bannon said while speaking at the Conservative Political Action Conference in late February. “The way the progressive left runs, is if they can’t get it passed, they’re just going to put in some sort of regulation in an agency. That’s all going to be deconstructed and I think that that’s why this regulatory thing is so important.”

Missouri Cattlemen’s Association President Butch Meier welcomes the approach.

“We are extremely optimistic that the president and his cabinet, specifically (secretary of agriculture nominee) Sonny Perdue and (EPA director) Scott Pruitt, will take a long, hard look at some of these out-of-touch, bureaucratic regulations that have been promulgated the last eight years that amount to nothing more than a pervasive invasion of private property rights.”

Meier, a seedstock and cow-calf producer from Jackson, Mo., encourages the administration to specifically intervene in the U.S. Department of Agriculture’s final rule-making decision on the 2010 Grain Inspection, Packers and Stockyards Act, which he said would “drastically limit the way family farmers and ranchers can market their cattle and will open the floodgate to baseless litigation.”

Wheeler points out not all regulations are bad. He references the Renewable Fuels Standard (RFS) as an example of a practical, commonsense federal program



that has greatly benefitted farmers. The RFS mandates transportation fuels in the United States contain a minimum volume of renewable fuels such as biodiesel and ethanol.

“We have voiced our support for the continuity of the RFS to be maintained,” Wheeler said. “President Trump has also expressed his support for the RFS, and we will continue to work hard to make sure Congress and the new administration continue to view the RFS positively.”

### **TAX RELIEF ON THE WAY?**

During the election, Trump promised to deliver “big league” tax cuts to voters. To do so, he’s proposed simplifying the tax code by moving from seven tax brackets to three, with the highest bracket taxed at a rate of 33 percent. He is also pushing to lower the corporate tax rate from its current 35 percent to 15 percent and abolish the estate tax, which is commonly referred to as the death tax.

“I think tax reform is where the president and the majority in Congress will make some real progress,” Meier said. “The death tax needs to be slaughtered immediately. It is ludicrous to think it’s okay to penalize the family because a loved one passed away. It is beyond comprehension.”

Currently, estates are taxed at 40 percent, but there are exemptions on the first \$5.49 million per individual or nearly \$11 million

for couples. That’s a lot of money, but Pat Wolff, senior director of congressional relations for the American Farm Bureau Federation, said the mere specter of such a tax has some farmers and ranchers “worried about growing and going over the (exemption) level.”

“We need to get rid of the tax once and for all,” Wolf said. “We don’t need it hanging over people’s heads and we don’t need farmers having to pay their attorneys to write them estate tax plans just in case.”

Meier cited the “unnecessary and unproductive compliance costs” of the estate tax as reason enough to do away with it. According to a report from the U.S. Congress Joint Economic Committee, for every dollar of tax revenue raised from the estate tax, a dollar is wasted in compliance costs.

Republican congressional leaders are widely expected to begin the work of overhauling the tax code later this year.

### **THE NEGOTIATOR IN CHIEF**

Throughout his campaign for the presidency, Trump assured voters he would use his business acumen and experience to negotiate better deals for the United States with foreign trade partners. He vowed to abandon the 12-nation Trans-Pacific Partnership (TPP), a trade pact with strong Farm Belt support, on the basis it was bad for American workers and would undercut U.S. companies.

He followed through on his promise by officially withdrawing from TPP during his first week in the Oval Office.

Farmer-led policy organizations, such as the American Soybean Association (ASA), urged the Trump administration to immediately announce how it intends to engage and expand market access in the Asia-Pacific region now that TPP is dead. Ron Moore, ASA president, pointed out the high stakes for U.S. farmers.

“Trade is something soybean farmers take very seriously,” said Moore, who farms in Roseville, Ill. “We export more than half the soy we grow here in the United States, and still more in the form of meat and other products that are produced with our meal and oil. The TPP held great promise for us and has been a key priority for several years now. Moving forward, we expect to see a plan in place as soon as possible to engage the TPP partner nations and capture the value that we lose with the withdrawal. With net farm income down by over 40 percent from levels just a few years ago, we need trade deals with the Asia-Pacific countries to make up for the \$4.4 billion in annual net farm income being lost by farmers from not moving forward with the TPP. Also, we expect a seat at the table to help ensure these agreements in whatever form they take are crafted to capture their full value for soybean farmers. Trade is too important for us to support anything less.”

Not long after canceling the U.S. involvement in TPP, Trump set his sights on the North American Free Trade Agreement (NAFTA), which he has referred to as “the worst trade deal maybe ever signed anywhere, but certainly ever signed in this country.”

NAFTA was signed by the United States, Canada and Mexico in 1992, and officially went into force on Jan. 1, 1994.

When the president suggested he may scrap NAFTA if he couldn’t renegotiate it to his liking, the American agricultural community grew concerned. NAFTA has grown U.S. ag exports to Mexico and Canada exponentially, moving from \$8.9 billion in 1993 to \$38.6 billion in 2015.

More than 130 food and agricultural organizations contacted the president to highlight the importance of NAFTA to

the industry and urged him to preserve and build upon that success.

“With the productivity of U.S. agriculture growing faster than domestic demand, the U.S. food and agriculture industry — and the rural communities that depend on it — relies heavily on export markets to sustain prices and revenues,” the groups said in their letter to Trump.

Referencing Trump’s campaign promise to revisit the NAFTA deal, Meier shared, “It worries cattlemen a great deal that we are renegotiating something that has and is working to expand beef exports to Mexico and Canada — two of our top trading partners. But then again, (the president) is doing exactly what he said he would do. We just hope it works out like he says it will.”

### **“WE EXPORT MORE THAN HALF THE SOY WE GROW HERE IN THE UNITED STATES, AND STILL MORE IN THE FORM OF MEAT AND OTHER PRODUCTS THAT ARE PRODUCED WITH OUR MEAL AND OIL.” – RON MOORE**

In late January, the Trump administration floated the idea of a 20 percent border adjustment tax on Mexican imports to foot the bill for the \$15 billion wall the president vowed to build to keep out illegal immigrants. The proposal sparked talks of a trade war U.S. farmers fear could lead to retaliatory tariffs put on their products. Some Mexican officials have already called for a boycott of U.S. corn in favor of imports from South America if a U.S. border adjustment tax is implemented.

“Given the size and impact of the Mexican and Canadian markets...we’re watching the administration’s decisions very, very closely, and it’s fair to say that we’re nervous,” said ASA’s Moore.

Joseph Glauber, former chief economist at the U.S. Department of Agriculture, recently published an essay, “Likely effects of a trade war for U.S. agriculture? Sad!” The essay highlighted the potential problems Trump’s proposed trade policies could cause for farmers and ranchers.

“The White House’s flirtation with imposing a 20 percent tariff on Mexican goods, ostensibly to pay for the proposed

border wall, suggest the aggressive stance taken in the campaign will likely carry over to his new administration,” Glauber wrote. “Disrupting agricultural trade by imposing punitive tariffs on Canada and Mexican exports would play havoc with supply chains and likely mean the loss of several billion dollars annually to U.S., Canadian and Mexican producers and processors.”

Instead of multinational trade agreements, Trump said he would rather “negotiate fair, bilateral trade deals that bring jobs and industry back onto American shores.” In other words, Trump wants one-on-one trade deals with individual countries. It’s all part of his “America First” policy centered on reviving America’s moribund manufacturing industry.

But what works for manufacturing may not be in the best interests of agriculture or the farm-state voters who helped usher Trump into the White House.

“There could be a negative effect to President Trump’s preference for bilateral agreements,” cautioned Wheeler of the Missouri Soybean Association. “China, for example, has taken some of our commodity markets hostage with bilateral agreements. We hope the Trump administration is not naïve to agriculture’s needs and does not leave us out of potential negotiations. We remain optimistic that the administration will keep all constituents in mind during trade discussions and that any new agreements will be fair for all parties.”

### **REMAINING CAUTIOUSLY OPTIMISTIC**

All the ways agriculture will be eventually affected by the Trump era remains to be seen as the president becomes more “known” in his ag-related policy decisions.

Based on his track record so far, President Trump is poised to fulfill many of his campaign promises. This could mean continued advantages to farmers and ranchers. However, agriculture must also be prepared to see changes that could potentially overlook its needs.

Farm and agribusiness groups will continue to work to protect the interests of U.S. growers and producers. For the ag community at large, perhaps the best course of action is to remain optimistic while vigilant. **M**

**Matt and Becky Moreland  
with their daughter, Kinze.**



Photo by  
Vanessa Hargrave

# THINKING OUTSIDE the Row Crop

## New Ventures Mean New Revenue for Moreland Family

By Adam Buckallew

Matt Moreland never dreamed pumpkins would have a place on his farm. He grew up raising dairy and beef cattle, corn, and soybeans with his father and uncle. Pumpkins did not even register on the list of possibilities.

Now, pumpkins, strawberries and a swiftly growing agritourism business stand front and center for Red Barn Ranch, the farm Moreland, 31, owns with his wife, Becky, in Harrisonville, Mo.

"It is amazing how a decision to plant pumpkins in a hayfield has changed so much for us," Matt says. "The pumpkin patch was really an afterthought, but it's working, it's profitable and we see almost limitless potential for it."

### PROFITABLE PUMPKINS

The idea to grow pumpkins took root when Becky attended a class about pumpkins at a young farmers and ranchers conference in 2012.

"I heard pumpkins were easy to grow, and I talked Matt into trying it," Becky says. "Unfortunately, it wasn't quite as easy as we thought it would be. The first year was rough."

Though Matt had grown corn and soybeans for years and had some

involvement in his family's garden, he was a relative novice with regard to pumpkins.

"I didn't know anything about pumpkins, but I thought I could probably wing it," Matt recalls. "Our first pumpkin crop was a miserable failure, and I told Becky I'd never plant pumpkins again."

When the Morelands moved onto a new farm in 2013, Becky saw the three acres of pasture behind their house, and she began to think of how to put it to best use.

"I asked Matt, 'Isn't there something else we could do with that land that would be more profitable than the two round bales worth of hay it would produce?'" Becky says. "Round bales were only selling for about \$45 a piece at the time, and I thought we could do better if we tried planting something different."

Matt's intention was to plant the field with corn or soybeans, but Becky asked him to give pumpkins another try. Matt tried reminding Becky he was done with pumpkins, but this was not an argument he would win.

Armed with the lessons he learned from his failed first attempt, Matt knew he needed to give the pumpkin patch more attention and care if he wanted to do

anything more than waste his time. The extra effort paid off with a field full of pumpkins.

Becky took the lead from there and set up a Facebook page to help market the pumpkins. The page became popular almost instantly.

"We had 575 likes on our page overnight," Matt says. "It blew my mind. Then we started getting questions about what activities we would have for kids, and I told Becky, 'Picking pumpkins is the activity,' but that didn't fly."

Though they had not anticipated needing to develop activities, Matt managed to come up with a number of ideas to entertain visiting children in the few days left before Red Barn Ranch was set to open to the public. He set up a corn pit (like a sandbox, but with corn kernels), a hay tunnel, pumpkin bowling and pumpkin tic-tac-toe games. A corn maze and model milking cow were added in subsequent seasons.

Flash forward to the present and Red Barn Ranch has eclipsed all of Matt and Becky's expectations. It has become a profitable contributor to their farm, and they believe they have only scratched the surface of its potential.



"We had close to 4,000 visitors last year, and our attendance has grown every year," Matt says. "We are expanding our parking areas this spring because we were running out of places to park people."

## EMBRACING AGRITOURISM

While Matt is now enthusiastic about the pumpkin patch and the agritourism opportunities it has opened up, he admits he was not originally excited about the extra chores it added to his workload.

"Most farmers don't want to deal with any extra hassles, but you cannot deny there is strong interest from the public for this type of thing," Matt says.

Perhaps the most enticing part of the agritourism operation is its non-reliance on traditional commodity markets.

"Agritourism has added another revenue stream to our farm, and it has helped us diversify our operation," Becky says. "This has really helped us supplement farm income at a time when commodity prices are low and inputs are high."

Matt and Becky's success hasn't stopped them from continuing to improve Red Barn Ranch. They've kept busy with adding new projects even as their family has grown to include their four-year-old daughter, Kinze, and three-month-old son, Oliver. They are always looking for new ways to improve their guests' experience and give people more reasons to come back to the farm.

"We've reinvested close to 100 percent of the money we've earned from the pumpkin patch," Matt says. "Our goal is to keep growing this business to the point it can replace Becky's income from her job in real estate. We're not there yet, but we are getting close to that point."

To meet the growing demands of their customers, Matt and Becky devoted a second field to pumpkins, bringing the total pumpkin acreage to 10. They also added a strawberry patch with 24,000 plants in 2015. They harvested their first strawberry crop last spring and plan to add more strawberry plants in the future.

In addition to the pumpkins, strawberries and activities, Becky opened a general store in an old milking barn on the Moreland's property to sell crafts and farm-fresh foods. Becky is also interested in the possibility of adding a U-Pick flower garden and honey bees to the farm.

Though growing their agritourism operation is a priority, Matt has had to balance Red Barn Ranch work with his responsibilities to Moreland Farms, the family farm managed by his father, Mike Moreland, and uncle, Jay Moreland. Matt has been working full-time for Mike and Jay since he returned from college nearly 10 years ago. Moreland Farms consists of a 150-cow dairy, a herd of 500 replacement dairy heifers and steers, 80 Angus cross beef cow-calf pairs and more than 1,000 acres of row-crop and hay production.

"My family has been supportive of what Becky and I are doing with Red Barn Ranch," Matt says. "But it's definitely been a challenge. Our busiest times for the pumpkins and strawberries overlap with harvest and planting season for our row crops. I know my dad and uncle usually aren't super thrilled when I say, 'Hey, I know I should be in a tractor planting, but I've got to go sell strawberries,' or 'I know it's harvest time, but I've got a bus full of people coming to the farm for a tour.' They haven't fired me yet, so I guess it's going okay from their perspective."

Due to the constraints on Matt's time, he and Becky are looking at possibilities beyond crops to continue to grow their Red Barn Ranch business.

## THE NEXT BIG THING

When Matt was a senior at the University of Missouri, he took a class called Returning to the Farm. As part of the class, Matt was required to develop a plan to make his family's farm more profitable. Matt came up with an idea to build a barn for hosting events, like weddings. He developed a full business plan detailing all aspects of such an operation and submitted it to a panel of professors for review. The panel ranked Matt's proposal as the most feasible plan of the 31 submitted and encouraged him to pursue the idea.

When Matt returned home after graduation, he laid out his proposal for his parents to review.



"I told them, 'This is our golden ticket,'" Matt remembers. "My dad looked through the whole thing and said, 'That's great, but not on my farm.' He had zero interest in it. He didn't think bringing people to the farm was a great idea at the time."

Matt was disappointed, but he soon became engrossed in farm work and forgot about it.

Several years later, after the pumpkin patch had opened, Matt and Becky began to receive requests to host weddings on their farm. They agreed to do one, and as Matt was watching the wedding proceedings, he recalled his class project and all of his work he had put into it. He told Becky about his past plans, and she loved the idea.

"I get tons of emails from people wondering if they can hold their wedding at our farm," Becky says. "Even without an indoor option at the moment, we already have weddings booked for May and June this year."

Matt and Becky are currently working to finalize plans for a 6,400-square-foot barn they hope to build for weddings and events. Aside from securing financing for their new venture, the most challenging part of the process has been working with potential contractors.

"We've had a hard time getting people to bid our project," Matt says. "Lots of them have told us we are dreaming if we think this will work. It's a bitter pill to swallow when people refuse to take you seriously."

The skepticism has only fueled the couple's drive to make their wedding venue project a reality.

"You need to be creative if you want to be an entrepreneur," Becky says. "I think that has scared some contractors. They have told us they've never done anything like this before, so they don't think it will work. We're not letting that stop us."

"We have our blueprints done and we are working on lining up financing for the project. It's going to be difficult to get a loan because it's speculative income, but we would like to have the barn built as soon as possible. We already have people trying to book weddings for a barn we have yet to build. They hear about it and want to do it."

Matt acknowledges they could probably build a smaller barn, which would make it easier to get a loan, but he and Becky want to build as big of a barn as they can.

"We are trying to build something unique and want the space to accomplish a lot of goals," Matt says. "We're going as big as we can without encountering additional costs, like sprinkler systems. At the moment, our plans call for it to hold 400 and our engineer thinks we may be able to bump it to 425. That type of capacity would really set us apart from other options in our area."

If everything goes according to their plans, the Morelands hope to have the barn built later this year.


## LOOKING TO THE FUTURE

Someday, Matt would like to take over management of Moreland Farms. He is the only one of his four brothers that has expressed such a desire, and he has been heavily involved in developing plans to expand and modernize the family dairy's milking facilities. However, his family has yet to formally address succession planning.

"The ownership of Moreland Farms is held together by a trust which includes many family members," Matt says. "We've had some brief discussions about succession, but there's a lot of uncertainty. Everyone has said they would like to see someone in the family continue farming the land, but there are no guarantees."

"I hope everything will work out with my family's farm, but we can't count on it. That's one of the main reasons we are so excited about Red Barn Ranch. It's wholly owned by Becky and I, which allows us to control our own destiny."

As Red Barn Ranch grows, Matt and Becky are optimistic about the future.

"This is something we enjoy and it is helping to secure the future of our farm," Matt says. "With us being within a 30-minute drive to Kansas City, we feel we are well-positioned to capitalize on the growing interest in agritourism. We look forward to helping the public grow in their understanding of farming." 





## Greenhouses Thrive with Propane

**W**inter's chill has no effect on plants growing in climate-controlled commercial greenhouses heated by propane. The warmth generated by propane-powered heaters keeps annual and perennial plants comfortable and unfazed by the cold throughout winter and early spring. This allows greenhouse operators to have their plants ready to go when planting season arrives.

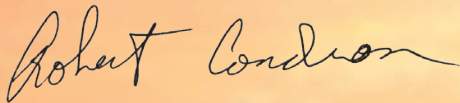
“The greenhouse operators we work with tell us they like propane because it's reliable, clean burning and it does a great job of keeping their plants at the correct temperature,” says Marty Mills, a plant manager in eastern Missouri.

The convenience and dependability of propane heating makes it a go-to source for warming greenhouses throughout the Midwest. Many greenhouses require heating for a four- to five-month stretch to keep plants protected until the threat of cold weather has passed. **M**

# MFA OIL 2016 FISCAL YEAR AUDIT REPORT

Our auditors, Williams Keepers LLC of Columbia, Mo., recently completed our fiscal year audit for the period Sept. 1, 2015, through Aug. 31, 2016. Following is a summarized balance sheet and a consolidated statement of operations for our past fiscal year.

Williams Keepers provided the following statement: "In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of August 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles."



Robert Condron  
Chief Financial Officer

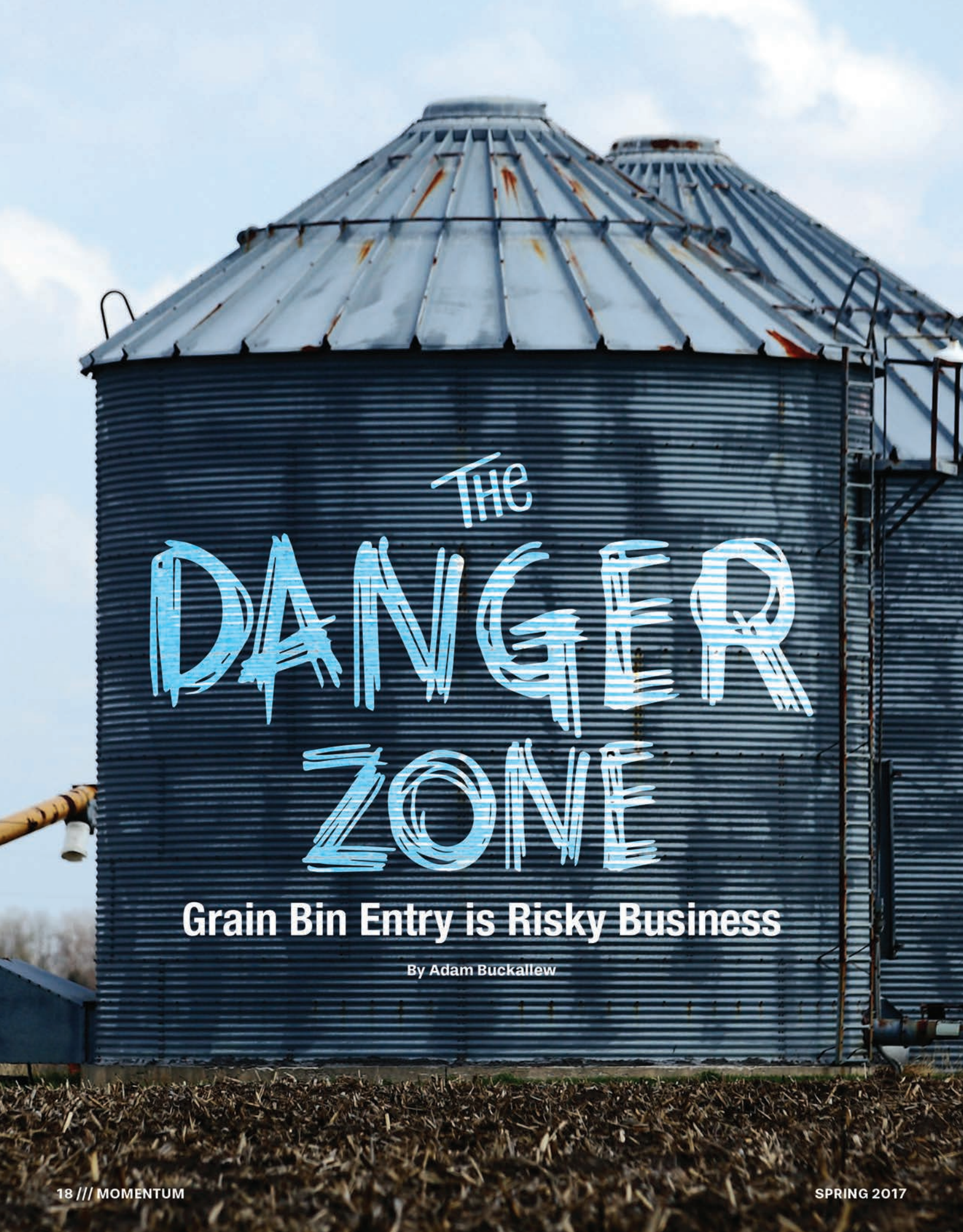


**CONSOLIDATED STATEMENT OF OPERATIONS**  
**AUGUST 31, 2016 AND 2015**

	<b>2016</b>	<b>2015</b>
Sales	\$800,319,048	\$1,045,137,409
Cost of Sales	(\$614,400,356)	(\$864,377,458)
<b>Gross Margin</b>	<b>\$185,918,692</b>	<b>\$180,759,951</b>
Other Income	\$2,534,867	\$2,390,219
Operating Expenses	(\$183,264,467)	(\$160,357,318)
<b>Income from Operations</b>	<b>\$5,189,092</b>	<b>\$22,792,852</b>
<b>Other Income</b>		
Patronage Dividends	\$18,949,653	\$33,834,894
Interest Income	\$1,261,638	\$1,669,489
Interest Expense	(\$79,058)	(\$162,629)
Gain/(Loss) on Sales of Assets	\$1,834,761	(\$686,049)
Other Income	\$6,278,490	\$4,432,923
<b>Total Other Income</b>	<b>\$28,245,484</b>	<b>\$39,088,628</b>
<b>Net Income before Income Tax</b>	<b>\$33,434,576</b>	<b>\$61,881,480</b>
Income Tax	(\$8,713,000)	(\$14,000,000)
<b>Net Income</b>	<b>\$24,721,576</b>	<b>\$47,881,480</b>

**CONSOLIDATED BALANCE SHEET**  
**AUGUST 31, 2016 AND 2015**

<b>Assets</b>		
	<b>2016</b>	<b>2015</b>
Current Assets		
Cash	\$79,914,211	\$68,343,350
Accounts Receivable	\$47,145,969	\$54,002,965
Inventory	\$43,937,237	\$49,246,752
Other Current Assets	\$5,316,042	\$4,553,024
<b>Total Current Assets</b>	<b>\$176,313,459</b>	<b>\$176,146,091</b>
Investments	\$46,790,877	\$79,752,543
Property Plant and Equipment	\$162,865,837	\$138,010,165
Other Assets	\$26,416,075	\$16,092,590
<b>Total Assets</b>	<b>\$412,386,248</b>	<b>\$410,001,389</b>
<b>Liabilities, Members' Equities and Retained Savings</b>		
Current Liabilities	\$81,217,866	\$92,116,969
Long Term Debt	\$1,331,860	\$3,207,009
Other Long Term Liabilities	\$1,860,898	\$1,911,953
Deferred Tax	\$26,038,036	\$24,203,437
<b>Total Liabilities</b>	<b>\$110,448,660</b>	<b>\$121,439,368</b>
Members' Equities and Retained Savings		
Members' Equities	\$66,331,388	\$65,154,139
Retained Savings	\$235,338,676	\$223,382,289
Other Comprehensive Income	\$267,524	\$25,593
<b>Total Members' Equities</b>	<b>\$301,937,588</b>	<b>\$288,562,021</b>
<b>Total Liabilities and Equity</b>	<b>\$412,386,248</b>	<b>\$410,001,389</b>



# The DANGER ZONE

## Grain Bin Entry is Risky Business

By Adam Buckallew



Last fall's record-breaking U.S. harvest of corn and soybeans has set the stage for "the perfect storm for more grain bin accidents in 2017," according to Charles Ellis, a natural resources engineer with University of Missouri Extension.

Across the country, grain bins are filled to unprecedented levels due to last year's massive harvest and larger than expected carryover from the previous crop. The excess grain supply and low prices have forced farmers to store grain longer than usual in hopes of a rebound in commodity prices.

Ellis worries the increase in on-farm storage and extended storage periods could lead to more accidents in grain bins this spring.

"We've got a lot of grain sitting on the farm that we need to check on," Ellis says.

Stepping foot inside a grain bin is a perilous proposition that can quickly turn deadly. Anyone who enters a storage structure containing grain, or who climbs onto an outdoor grain storage pile, is at risk of being entrapped or engulfed in grain. Fatalities have occurred in as little as a few feet of grain.

Grain engulfment has been a recognized hazard for decades. Yet both experienced and inexperienced workers continue to underestimate deadly risks associated with the speed and force of flowing or shifting grain.

"Entrapment is one of the most dangerous situations that can arise on a farm," says Bill Field, a Purdue Extension safety specialist and professor in the university's Agriculture Safety and Health program. "Dealing with a mountain of grain can be very hazardous."

More than 1,100 entrapments have been documented throughout the country since 1964. In 2015, the industry reported 22 grain-entrapment cases nationwide. Of those, 82 percent occurred on farms.

Research has shown there is a direct correlation between the presence

of out-of-condition grain and an increased likelihood of grain entrapment.

The U.S. Grains Council reported the 2016 corn crop contained a higher moisture content and required more drying than the previous year's crop. The wide fluctuations in temperature common in springtime throughout the Midwest can cause condensation to form and drip from the top of the bin. This can result in wet grain, which causes farmers to enter bins to deal with crusting, moldy clumps and other spoilage issues.

"This is one of the most dangerous times of the year for farmers," says Karen Funkenbusch, University of Missouri Extension safety specialist, referring to farmers' need to move grain and clean out bins following winter. "It takes only five seconds for a person to be caught in flowing grain, and less than 20 seconds to be sucked into the center of the grain, which acts much like quicksand."

Farmers and workers who become entrapped in grain face grim odds. Less than half survive an entrapment.

"Grain's weight and other properties make it difficult to get out of a bin without assistance," Funkenbusch says. "It takes 325 pounds of force to rescue a 165-pound person buried hip-deep in grain and more than 1,500 pounds to rescue the same person who's 3 feet under the grain surface."

That's why Funkenbusch recommends farmers adopt a "zero entry" mentality when it comes to their grain bins. However, if grain bin entry is absolutely necessary, farmers should never go in alone. It is best to have two observers during bin entries. One should maintain constant visual contact with the entrant and the other should be positioned on the ground, prepared to seek help if necessary. The use of a body harness with a lifeline secured to the outside of the bin is also recommended.

## GRAIN BIN HAZARDS



Grain bin hazards aren't limited to entrapment or engulfment. Other, equally hazardous situations can occur when working with grain bins. The following is a list of the most common and hazardous situations farmers should be aware of when dealing with stored grain.

**FLOWING GRAIN** – Entrapment is the most often identified hazard and cause of injury when working with flowing grain. Like quicksand, flowing grain will pull a 165-pound man down to waist level in seconds and bury him in less than a minute. Most experts agree once a person has grain above the knees, they have almost no chance of escape without assistance.

**ELECTRICAL COMPONENTS** – Today, more and more farmers and commercial grain companies are acquiring older grain-handling facilities with the intent of increasing storage capacity. Due to poor maintenance or neglect, older facilities tend to have numerous electrical hazards, such as frayed electrical cords, open and rusted breaker boxes and broken electrical conduits. Before beginning any work, we strongly recommend hiring a certified electrician to thoroughly inspect electrical system components to reduce the risk of electrocution or fire.

**BIN COLLAPSES** – Some reclaim augers utilize multiple sumps: a main sump in the center of the bin and auxiliary sumps between the center and the wall of the bin. Bins should always be emptied using only the main sump until grain is lowered to a level where it can no longer flow to the main sump by gravity. At that point, use the auxiliary sumps starting with the one closest to the center and working to the outside one sump at a time. If the auxiliary sump is used to empty a full bin, it results in an uneven loading condition that can lead to a bin collapse, resulting in crushing or engulfment injuries.


**LADDERS** – Although injuries from slips and falls are not as severe as injuries involving augers or power takeoffs, significant injuries can occur because of a fall from a bin ladder. As with all ladders, remember to maintain three points of contact. The three points of contact rule is simple: Always maintain one hand and two feet, or two hands and one foot, when climbing or descending ladders, trucks and equipment.

**FIRES AND EXPLOSIONS** – As seeds or kernels are handled, grain dust is produced and can become suspended in air or accumulate on floors, ledges, beams and equipment. When conditions are right, suspended grain dust can ignite and explode, causing catastrophic damage and huge financial and possibly human loss. Preventing grain dust explosions requires a comprehensive dust and ignition control program, which may include the use of an oil suppression system.

**CRUSTED GRAIN** – Like bridged grain, crusted grain is often caused by high moisture content. But instead of forming a grain bridge, the grain sticks to the bin walls. If a worker enters the bin to break the grain free, the grain can “avalanche” and completely engulf and suffocate the worker. Using a long pole from outside the bin is the best and safest way to break up the grain.

**AUGERS** – Grain bin augers present serious entanglement and amputation hazards. When proper precautions are not followed, workers are exposed to serious injury or death. Grain bin augers include reclaim augers, sweep augers, fill augers and stirring augers. Guards should be placed over intake ends to prevent objects other than grain from entering the auger. Never enter a bin while an auger is running.

**TOXIC ATMOSPHERES** – Grain dust also poses a respiratory hazard to some people. Reactions or complications can range from difficulty breathing and stomach problems to skin irritations and rashes. Grain that is out of condition or deteriorating can release toxic gases and create an oxygen-deficient atmosphere. To reduce the risk of serious injury or death, it is crucial to always consider the potential for a toxic atmosphere, introduce ventilation when needed and always wear the proper protective equipment for the appropriate conditions.

**BRIDGED GRAIN** – A grain bridge is a hardened, crust-like mass of grain that contains a cavity or pocket underneath. Caused by out-of-condition grain or prolonged periods of freezing temperatures, this inconspicuous hazard is a death trap for any worker. Never enter the bin to “walk the grain.” Instead, break up the grain using a long pole from outside the bin. 

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# MFA Oil Hosts Inaugural Young Farmers Conference

Developing the next generation of leaders in agriculture grows more important every year as the average age of principal farm operators climbs higher. Data from the 2012 Census of Agriculture, the most recent, revealed farmers older than 65 years of age outnumber those under 35 by a ratio of six-to-one.

Though they may make up a small percentage of the current farming population, cultivating relationships with young farmers will be crucial to the future of cooperatives such as MFA Oil.

This is one of the reasons why the company hosted its inaugural Young Farmers Conference at the beginning of March. The two-day event brought together young leaders in agriculture with industry experts to discuss important farm issues, provide leadership training and offer peer networking opportunities.

"We want to make sure we are serving the needs of all of our cooperative members, and this was a great opportunity to connect with many of our young farmers and learn about their needs and expectations," said Jon Ihler, vice president of sales and marketing.

The conference began with a look at how farmers and cooperatives can work together to create more value, opportunity and impact for each other. Jeff Schindele, a cooperative consultant, discussed the advantages of the cooperative model, patronage and equities, and why it pays to be a member.

"Patronage is a great benefit which allows a cooperative to share its profits with its farmer-owners and the rural communities where it does business," Schindele said. "MFA Oil has done an outstanding job of this by returning 80 percent of its profits in recent years to its farmers in cash while putting the remainder into equity."

David Parker, an executive with agricultural consultancy FLM+, was the conference facilitator and also a presenter. Parker outlined important trends he has observed in agriculture and shared the seven key traits he believes highly successful farmers share. He said these farmers:

1. Adopt new and useful technology.
2. Create and follow a business plan.
3. Set goals.
4. Protect their investment for the legacy generation.
5. Build business relationships.
6. Keep learning.
7. Value industry stewardship.

"It can be difficult to take the lead and set a plan for your farming operation if you are working with an older generation," Parker said. "You need to make sure you are talking about important decisions, like how to improve your commodity marketing plan and whether you are prepared to acquire more land. This will help you take



**Top left: Missouri Director of Agriculture Chris Chinn. Top right: MFA Oil executives participate in a roundtable discussion. Bottom left: Young farmers and young farm couples enjoyed networking opportunities at the conference. Bottom right: Comedian Mark Mayfield.**

advantage of windows of opportunity when they arise.”

Chris Chinn, the newly appointed Missouri director of agriculture, spoke to attendees about the importance of sharing agriculture’s story with the public.

“We need you to be an advocate for agriculture by having impactful conversations about farming with your neighbors and people in your community,” Chinn said. “Only you can tell the story of your family farm.”

Chinn is considered to be a trailblazer in ag advocacy who is known for her work bridging the gap between farmers and consumers through public speaking and online conversations with her more than 10,000 combined followers on social media and her blog. Chinn said she looks for common ground when speaking to people to help them better understand how she and her family operate their farm in Clarence, Mo.

Corporate comedian Mark Mayfield provided conference attendees with entertainment and challenged the young

farmers to look at issues they face from new perspectives and with humor to find insights they may otherwise miss.

“Sometimes you need to be able to find the humor in life,” Mayfield said. “Humor is strongly linked with creativity, and young farmers will certainly need to be creative to be successful as times change and agriculture evolves.”

**“WE NEED YOU TO BE AN ADVOCATE FOR AGRICULTURE BY HAVING IMPACTFUL CONVERSATIONS ABOUT FARMING WITH YOUR NEIGHBORS AND PEOPLE IN YOUR COMMUNITY.” – CHRIS CHINN**


Day two kicked off with a roundtable discussion between attendees and members of the MFA Oil management team.

“We opened it up to the crowd and told them any question was fair game,” Fenner said. “We received a lot of great feedback, and it gave us an opportunity to ask some questions of our own. We also talked about

what we can do better to serve young farmers and how they can become more involved in the cooperative.”

The conference concluded with a presentation by Tony Richards of Clear Vision Development Group. Richards, who was named one of the Top 100 Leadership Speakers by Inc. Magazine, discussed ways the attendees could better lead themselves, others and their businesses.

“Leadership starts with you,” Richards told the group. “Everyone has the capacity to be a leader, but not everyone is willing to put forth the effort and the work to become one. You have to commit to growing yourself before others will allow you to lead them.”

MFA Oil is already working on plans to host another Young Farmers Conference in 2018. If you are interested in participating or if you would like to nominate a young farmer to attend the conference, please visit [youngfarmers.mfaoil.com](http://youngfarmers.mfaoil.com) and fill out the form. MFA Oil will share more details about the 2018 conference in the coming months. 

A close-up photograph of a field of red clover flowers. The flowers are in various stages of bloom, with some showing vibrant red and others a lighter pink. The background is a soft, out-of-focus sunset sky with warm orange and yellow light. The text is overlaid on the left side of the image.

# FARMERS NEEDED FOR MISSOURI STRIP TRIAL PROGRAM

By Linda Geist, University of Missouri Extension

## TEN YEARS AGO,

not many farmers were talking about cover crops.

That is not the case now, says Greg Luce, University of Missouri Extension corn specialist and research director for the Missouri Soybean Association and the Missouri Soybean Merchandising Council. He invites farmers to take part in MU's Missouri Strip Trial Program, which focuses on cover crops and other agronomic comparisons.

In the 1980s, some farmers began adopting no-till principles. They also began planting cover crops. Many stuck with no-till. Few stayed with cover crops.

The use of cover crops is more mainstream now, but research continues on the best way to use them.

MU Extension conducts strip trial research on cover crops. Strip trials are multiple long strips laid out side-by-side in a field. Researchers and growers compare different management practices on each strip. They use in-season aerial imagery and GPS-referenced yield monitor data to compare different cover crop treatments.

Luce gave a report of last year's strip trials at a recent meeting of certified crop advisers in St. Joseph. He says consistent yield gains have been "elusive." Cover crops protect soil from erosion and provide weed control in crops. Soybean generally has responded more positively than corn in early trials, but it can work well with both crops. Cover crops also appear to be a good way to manage mare's tail and winter annual weeds, he says. Early termination of cover crops proved to be effective.

Many questions remain to be answered. When should growers terminate cover crops for best results? Is erosion control or long-term soil health the biggest benefit of cover crops? Are cover crops giving up nitrogen or tying it up in the soil? These are some of the questions researchers working with MU Extension's Strip Trial Program hope to answer, Luce says.

The grower-based program helps farmers and crop advisers compare on-farm management decisions and practices in a low-cost, low-risk setting. Luce and other researchers use on-farm and field-scale research to provide growers with farm-specific data to guide decisions, evaluate management practices and improve their bottom line.

The strip trial program needs participants for the 2017 trials. Strip trials were conducted at 40 locations last year. This year, cover crop trials will focus on yield impact to corn and soybean, optimum termination dates, ILeVO soybean treatment, fine-tuning phosphorus requirements and optimum nitrogen timing for corn.

Farmers use their own equipment or that of their commercial applicator. They work with their choice of an MU Extension specialist or other crop consultant. The specialist or consultant guides them through the process. At the end of the season, growers receive personalized, confidential evaluations of their trial.

### HOW THE PROGRAM WORKS

Strip trials are just as they sound, multiple long strips laid out side-by-side in a field that have different management practices, also called treatments. The treatment "strips" are created using a grower's own equipment.


Individual results are compiled into a personalized report for each participating farmer. Growers will also have access to aggregated results from trials in their area and across the state to evaluate the effectiveness and the economic pros and cons of the different management practices.

Each farmer's results are kept strictly confidential. Statewide and regional results will be summarized for outreach purposes and to highlight and promote existing farm practice advancements and best management practice adoption in Missouri.

The program tools and personalized summary report are available at no cost for Missouri growers involved in the strip trial program.

For more information on cover crops, Luce recommends the Midwest Cover Crop Council website, [www.mccc.msu.edu](http://www.mccc.msu.edu), and MU Extension's cover crop resource guide at [crops.missouri.edu/covercrops](http://crops.missouri.edu/covercrops).

Missouri Corn Growers, the Missouri Soybean Merchandising Council and their checkoff programs sponsor the MU Extension Missouri Strip Trial Program.

Go to [striptrial.missouri.edu](http://striptrial.missouri.edu) for more information or contact Luce at [luceg@missouri.edu](mailto:luceg@missouri.edu) or 573-473-7079. 

### FOUR STEPS FOR ON-FARM RESEARCH SUCCESS

The following suggestions should help in planning on-farm replicated strip trials.

- 1. Keep it simple** — Compare only two or three treatments in a single replicated strip trial. Too many treatments applied by wide equipment will limit the number of replications within a field.
- 2. Replicate treatments** — Replicate each treatment a minimum of four times in the trial. Avoid placing treatments in headlands that typically have increased traffic, pest infestation or the potential for soil compaction.
- 3. Keep other management consistent** — Keep all other management practices, except those used in treatments, the same within the replicated strip trial area. This includes using the same hybrid or variety, seed treatments, planting dates, harvest dates, weed or pest management, etc.

- 4. Avoid bias** — Use randomization whenever possible and use personal knowledge of within-field variability or within-field management history to reduce the chance of all experimental units with the same treatments being located within the same spatial patterns of previous management, drainage tiles or trials from previous years.

Source: Iowa Soybean Association

# Propane Contracting – It's a Hit

**I**n baseball, if you manage to hit the ball three times out of 10 you are considered an all-star. If you manage to maintain that same average throughout your career, you might even have a shot at the hall of fame. Now imagine you got a hit seven out of 10 times. You'd be considered the greatest player of all time.

What if I told you there was a way to get a “hit” for your farm's propane budget seven out of 10 times? Think of it like having a .700 batting average in propane buying. All you would have needed to do was contract propane every year in the last decade and you would have saved in seven out of 10 years.

It may sound simple, but the trick is you need to be in the game. It's hard to get a hit if you're sitting in the dugout. Of course there are no guarantees, but history has proven over time propane contracting is a sound strategy.

If you pay any attention to the propane market, you may have noticed things have been changing recently. The inventory of U.S. propane has gone from record highs in November 2016 with more than 100 million barrels to the current inventory of 45 million barrels, a three-year low in propane stocks. The fact this has occurred during a mild winter has gotten the attention of traders, and it should have yours as well. The biggest reason for the strong decline in U.S. propane inventory has been exports.

Propane, like many other commodities, is now a global market, and U.S. propane has been in demand. This has meant more and more propane gallons are getting shipped to the Gulf Coast to be exported to the most profitable markets. The usage of natural gas liquids has also been in flux with increasing interest in ethane, propylene and butane, which make up the natural gas liquid (NGL) stream during processing. At times, propane gets left in the stream because the economics make extraction unprofitable.



Another factor in the propane supply equation has been the changing dynamics of the oil industry. New drilling techniques have unlocked an abundance of crude oil in the United States. The fracking of shale oil in places like North Dakota, Oklahoma and Texas has been the major factor. As crude oil supply in North America has grown, changes have been made to the pipeline system to transport it. The Cochise Pipeline, which used to bring propane into the upper Midwest from Canada, was converted from propane to crude oil due to growing production in the Dakotas and Canada. This makes it more difficult to move propane to some parts of the country, which obviously can cause supply issues.

MFA Oil kicks off its propane contracting in early April, and historically this is when the best price is offered for the season. Again, there are no guarantees, but the historical trends back this up.

Why contract your propane with MFA Oil? We're a reliable supplier with competitive pricing. When the polar vortex hit in the winter of 2013-2014 and supplies of propane dwindled, MFA Oil went above and beyond to honor our contracts. In a few cases, we went as far as Houston to haul propane back to the Midwest. In other words, you can count on us. We take care of our customers

and satisfy their contracts. Not all of our competitors can say the same thing.

On top of any potential savings you could earn yourself through propane contracting, you can earn patronage if you're a farmer who meets the requirements for MFA Oil membership. In 2016, MFA Oil paid back 25 cents per gallon in patronage on propane purchases, and 80 percent of the money was paid in cash. I'd wager you would have a hard time finding another energy cooperative paying its members patronage at comparable levels.

Add it all up, and you've got a great opportunity to lower your costs through contracting, a reliable supplier known for honoring its contracts and the potential to earn patronage on your purchases.

Let's go back to baseball for a minute. Have you ever heard a coach tell his player not to overthink a situation? Just go up there and hit the ball. The same could be said of contracting your propane from MFA Oil. You need to be prepared to take advantage of this great program. It's almost time to step up to the plate. Will you be ready? **M**



**» TIM DANZE**  
is the hedging manager  
for MFA Oil.

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WAYS TO  
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- **100% Pre-Buy:** Pay 100% when you sign up.
- **4-Pay:** Pay 25% down and 25% per month for 3 months.
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# Putting the Right People in Place

**E**mployees are the heart and soul of a business. They are the most valuable assets any company possesses. That's why the success of a company is often defined by its ability to put the right people in the right positions.

The MFA Oil Board of Directors recognizes the important role employees play in the cooperative and has made hiring and retaining excellent employees one of the company's core principles.

"Our goal is to find the best employees and keep them on board for the long haul," says Ralph Schallert, who farms in Purdy, Mo., and serves as vice-chairman of the board. "It is hard to run an effective cooperative if you do not have the right people in place to do the work."

Recently, MFA Oil added two full-time recruiters to its human resources department to aid in filling openings with qualified job candidates throughout the company's trade territory. The recruiters make the hiring process quicker and smoother. Attracting prospective new hires and retaining high-quality employees is also made easier by a competitive total compensation package with a strong benefits plan. MFA Oil is one of the few companies to still offer a company-paid pension plan.

"Not only do we try to reward our employees with appropriate compensation, we also want to make sure we are providing them with the training and development opportunities they need to grow professionally," Schallert says.

The company introduced MFA Oil University, an online training program for its more than 1,750 employees, in 2016. The training website offers a wide variety of online courses to grow and enhance employees' careers. Specific instruction is available for employees working in bulk fuel and propane, Break Time, Big O Tires, Jiffy Lube and many other areas.

**"NOT ONLY DO WE TRY TO REWARD OUR EMPLOYEES WITH APPROPRIATE COMPENSATION, WE ALSO WANT TO MAKE SURE WE ARE PROVIDING THEM WITH THE TRAINING AND DEVELOPMENT OPPORTUNITIES THEY NEED TO GROW PROFESSIONALLY." - RALPH SCHALLERT**

The online learning opportunities combined with company-led leadership training and safety meetings are important to the cooperative's efforts to maintain a strong, effective workforce. Many of the company's training events are held at the new Business Support Campus which opened in Moberly, Mo., last year. Schallert says all of these initiatives were developed to



**MFA Oil places a strong emphasis on training and employee development opportunities.**


ensure MFA Oil employees can reach their potential, and he is pleased with the progress he has seen.

"I've met with many of our employees, and I always walk away impressed with their professionalism," Schallert says. "It doesn't matter if you are talking about our fuel operations, retail staff or the people working in the home office, they are quality individuals who work hard and efficiently on our behalf."

Another key to employee retention is to keep the lines of communication open between all parties for honest feedback. MFA Oil sends employee communications through a variety of channels to keep everyone up-to-speed on what is happening in the company. These efforts include a recently launched email newsletter and podcast, quarterly meetings that are recorded and made available to field and retail staff, and a printed newsletter mailed to employees' homes.

"Just as our delegates communicate their concerns to the board, we encourage our employees to provide suggestions to the company's management team to make sure we are addressing any issues that may arise," Schallert says.

While there is always room for improvement, Schallert is encouraged by the "great strides" he has seen the company make since he joined the board in 2003.

"I'm proud of the team we have assembled and want our farmer-owners to know the cooperative is in good hands," Schallert says. 



**>> RALPH SCHALLERT**  
Board of Directors Vice Chairman  
District 3 – Southwest

**G**OLD CUP 2017

**O**LD CUP WON'T DO\*

**L**IMITED AVAILABILITY

**D**ON'T MISS OUT!

COMING IN MAY

*Break*  
**TIME**

\*2016 cup will not be  
eligible for free refills.

# New Acquisitions in the Bootheel and Mid-South

**M** MFA Oil continues to strengthen its position in northeast Arkansas and southern Missouri with a pair of acquisitions completed recently.

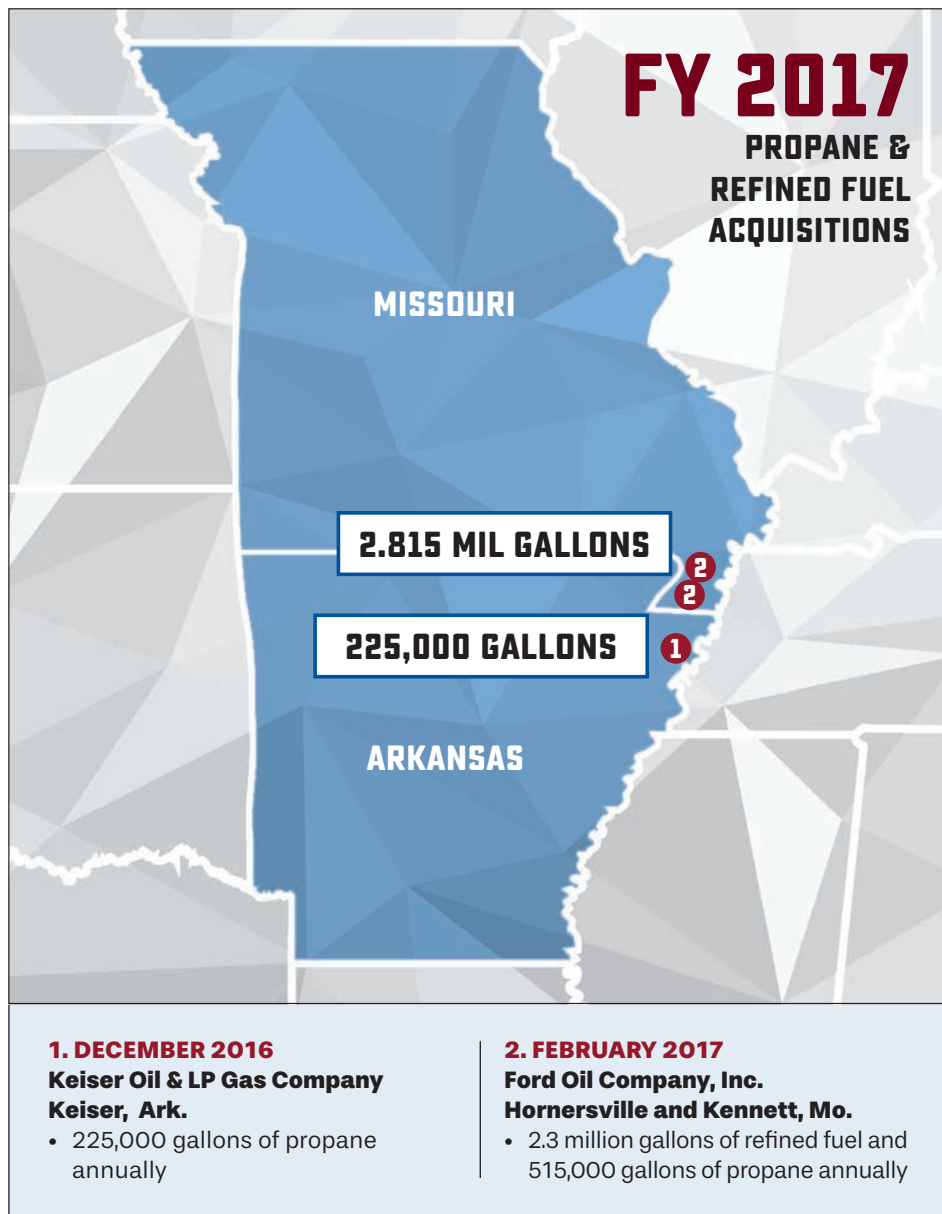
In January, the company acquired the propane operations of Keiser Oil & LP Gas Co., an independent propane retailer based in Keiser, Ark. That purchase was followed up by the acquisition of Ford Oil Company, an independent retailer of propane and refined fuels with offices in Hornersville and Kennett, Mo.

“Both of these companies fit well with our existing operations and the addition of their resources will provide us with opportunities to better serve customers in the Mid-South region, an important agricultural market,” says Jon Ihler, MFA Oil vice president of sales and marketing. “These purchases are made possible by our strong financial position, and they enable us to solidify our market presence in the area.”



Ihler says MFA Oil plans to maintain the new offices the company has acquired in its latest deals.

“The Keiser acquisition includes a bulk propane plant, which we will integrate with our nearby offices already located in that area,” Ihler says. “Likewise, we plan to keep the Ford Oil locations in Hornersville and Kennett open at this time. There was a



convenience store at the Hornersville office that we plan to convert to a Petro-Card 24 location. We have already ordered new equipment to upgrade that station.”

These acquisitions represent the second and third acquisitions MFA Oil has made in the company’s 2017 fiscal year, which

began Sept. 1, 2016. MFA Oil previously acquired Ozark County LP Gas Company, Inc., with locations in Gainesville, Mo., and Mountain Home, Ark. The company will continue to evaluate acquisition opportunities in its existing markets and new areas. **M**



Photo by Billy and Kalena Bruce

## MFA Oil Partners with Cattlemen to Provide Wildfire Relief

In early March, wildfires ravaged more than a million acres of land in Oklahoma and Kansas. MFA Oil is working with the Missouri Cattlemen's Association to help the farmers and ranchers who were devastated by the fires by donating \$5,000 in gift cards to reimburse fuel expenses for volunteers who are trucking hay, fencing and other supplies to affected areas.

If you are interested in contributing to the relief effort, you can find more information at the National Cattlemen's Beef Association website: <http://www.beefusa.org/firereliefresources.aspx>.

## Parcell Named First MFA Professor of Agribusiness



MFA Incorporated, MFA Oil and the MFA Foundation pledged \$750,000, payable over four years, to the University of Missouri College of Agriculture, Food and Natural Resources (CAFNR) in 2015 to establish an endowed professorship that supports education and research. The first professorship role was recently filled.

Joe Parcell, professor and department chair of agricultural and applied economics in the Division of Applied Social Sciences, was tapped as the first MFA professor of agribusiness. Parcell is the director of undergraduate studies and adviser chair of agricultural and applied economics. He served as the director of the Missouri Value Added Development Center from 2001 to 2013. The Center was a joint venture between CAFNR and MU Extension.

"The focus is pretty flexible," Parcell said. "Agribusiness can go so many different directions. We want to work for what's best for the farmers."

"I'm really just a custodian of MFA's resources. I'm here to ensure that they get used in a wise way and in a way that is valued by others across Missouri. We're setting the base. My objective is to take those resources and leverage them the best I can to create even more resources."

Parcell grew up on a hog farm in Iowa. He and his wife ran a row-crop farm for more than 10 years and currently have a farm which they share crop.

Parcell earned his Ph.D. from Kansas State University. He has been with the University of Missouri for nearly 19 years. He began his Mizzou career as an extension agent. He has worked with farmers on a variety of projects, including price information and agribusiness.

"I have deep roots in agriculture and agribusiness," Parcell said. "I have always been focused on Missouri agriculture, and this is a tremendous honor and opportunity."


"The intent here is to offer support for agriculture and agribusiness in Missouri. We want to promote agriculture and agribusiness and bring more students into this world."

## Twellman Inducted into Missouri Institute of Cooperatives Hall of Fame



MFA Oil congratulates Beverly Twellman, who retired from the company with 44 years of service in 2015, for her induction into the Cooperative Hall of Fame by the Missouri Institute of Cooperatives (MIC).

During her time with the company, Twellman worked closely with MFA Oil's presidents, members of the board of directors and other company executives in her position as corporate secretary, secretary to the board and bond coordinator. She provided vital support to MFA Oil's leadership team and board members while maintaining excellent records of the company's meetings and bylaws. Throughout her career, she was known for her incredible integrity, professionalism and dedication to the company. Twellman's depth of understanding of the cooperative and its mission made her an invaluable asset to all MFA Oil stakeholders.

MIC developed the Cooperative Hall of Fame to ensure a permanent, prestigious recognition for future generations of cooperative leaders with exemplary service and lasting achievements. 

# Turning Terror into Determination

**S**arah Fuehring planted flowers in her front yard while her three- and five-year-old children played nearby on a peaceful summer's day. Unbeknownst to her, danger slowly drew near. A drifter had wandered onto their property and leered at the family from the end of their driveway, which was near a highway.

A passing motorist blared his horn in alarm, and Fuehring turned to see the stranger approaching. Quickly, she herded her kids into the house. The man was a mere 10 feet behind them as she locked the door.

Not confident she could lock the other doors in time to keep the drifter out, Fuehring rushed her children to the basement. She instructed them to hide under the steps then retrieved a deer rifle from a nearby gun cabinet. While her children cried, she stood at the bottom of the steps and listened to the footsteps of the intruder upstairs.

Luckily, Fuehring's brother-in-law arrived at the house within minutes. He had been the person who had spotted the drifter from the highway and honked to warn Fuehring. He chased the unwelcomed guest from the premises without incident.

Although no one was harmed, the experience left its mark on Fuehring and her family. Following the home invasion, Fuehring decided to take a self-defense class, but couldn't find any being offered in her rural community. Determined to empower herself and other women, she made plans not only to learn self-defense, but to begin teaching it.

In 2009, Fuehring, an MFA Oil customer service representative, started a non-profit organization called Power Up to teach Rape Aggression Defense classes with the help of a grant from the MFA Oil Foundation. The classes typically consist of a two-day, 12-hour course.



**Sarah Fuehring has taught self-defense and safety training to nearly 3,000 women and children in Missouri.**

"We teach women basic and advanced self-defense," explains Fuehring. "The program also covers rape awareness, prevention, risk reduction and avoidance. We take women through scenarios designed to push them emotionally and allow them to test their techniques. It's all about empowerment and making sure women know they can defend themselves."

Fuehring also offers a children's program covering dog safety, fire safety, home safety, computer safety, bullying, good touch/bad touch and physical skills to use in case of an abduction attempt.


Fuehring wants all students to take away three things from her classes:

1. No one has the right to hurt you.
2. You don't have the right to hurt anyone.
- Self-defense is the exception.

3. If someone does hurt you, you should tell someone.

"The most important thing is to remember no one has the right to hurt you," Fuehring emphasizes. "If everyone knew and believed this, there would be far fewer victims in the world."

Fuehring is appreciative of the support she received from MFA Oil to found Power Up. Since its inception, the non-profit has enabled Fuehring to provide training to nearly 3,000 women and children.

"I am very proud to work for a company which is committed to giving back to community-based organizations that make a difference," Fuehring says. "I never guessed I would someday work for such a wonderful company." 

# Bulk Oil Drivers Keep Customers Well Stocked

**M**FA Oil's bulk oil drivers travel thousands of miles each month delivering lubricants to customers.

The deliveries go to farmers, schools, department of transportation offices, highway patrol outposts, automotive garages, oil change shops, construction companies and trucking firms. The bulk shipments are an ideal way for any customers with a fleet of vehicles or machinery to save money on lubricants.

Ron Walbourn has been a bulk oil driver with MFA Oil for 10 years. He primarily covers northwest Missouri but will occasionally make trips to other areas depending on delivery needs.

"There are four of us that make all of the bulk oil deliveries for the company," Walbourn says. "Another guy and I basically handle everything north of Highway 50 in Missouri and then we've got one driver covering southern Missouri and one taking care of Arkansas."

Each of MFA Oil's bulk oil trucks can carry up to 4,000 gallons of product at a time. Walbourn says his truck averages about 17,000 gallons of deliveries per month, but the volume jumps significantly during the company's semi-annual oil sale events. The spring sale runs every year from March 1 to April 30 and the winter sale is offered throughout the month of December.

## QUALITY PRODUCTS AND FACILITIES

As the cooperative has grown, so too has the territory the drivers cover and the number of products available to customers. When Walbourn first became a driver, MFA Oil sold six different bulk oil products. Now, the company offers bulk delivery on a lineup of 30 high-performance lubricants. MFA Oil is committed to offering the highest quality lubricants, which meet or exceed original equipment manufacturer specifications.



**Bulk oil driver Ron Walbourn delivers lubricants to customers in northwest Missouri.**

Another recent change occurred last spring when the cooperative moved its bulk oil storage tanks from California, Mo., to the new MFA Oil Business Support Campus in Moberly, Mo. The relocation puts the bulk oil facilities next door to the company truck shop and warehouse, which makes it convenient when the trucks need to be serviced or repaired. Walbourn says another major benefit of the new facility is its updated, modern equipment.

"We are able to load and unload lubricants quicker," Walbourn says. "The new pumps are so much faster, and we are now in a climate-controlled building, which keeps the oils and other lubes from thickening in the cold winter weather. These changes have drastically reduced the amount of time we have to wait on pumping – by as much as half in some cases. The faster we can pump, the faster we can get back on the road to make our deliveries."

## SERVICING FARM ACCOUNTS

When it comes to farm deliveries, the most popular products are Premium

Heavy Duty 15W-40 engine oil and GP Hydraulic Fluid. Walbourn says farmers can help make bulk oil deliveries quicker and smoother by placing their tanks in an easily accessible location.

"Some farmers place their bulk oil tanks in barn lofts and other hard-to-reach locations," Walbourn says. "If we have to climb a ladder or climb over a lot of equipment to get to the tank, there are obviously safety concerns. We're working with our agricultural customers to improve tank placement so we can fill their tanks safely and more efficiently."

Walbourn has three primary recommendations to keep in mind when considering bulk oil tank placement.

"We like for the tanks to be placed on ground level, as close to the door as possible, and it's helpful if a clear path to the tank is maintained when deliveries are expected," Walbourn says.

Farmers interested in placing a bulk oil order should contact their local MFA Oil office for more information. **M**

# Gear Up Your Vehicle for Spring: 10-Step Maintenance Checklist

**S** Spring is here and that means driving season is right around the corner. Just as spring cleaning is a good idea for your home, it also makes sense to give your vehicle a seasonal tune-up.

"Winter can be hard on automobiles, so now's the perfect time to perform preventive maintenance on vehicles," says Jim Williams, a territory manager for Big O Tires. "Preventive maintenance keeps vehicles on the road longer and can save customers money in the long run."

Williams recommends you follow this spring maintenance checklist to make sure your car is running efficiently and reliably.



## 1. START WITH THE TIRES

Check air pressure for all tires, including the spare, as improper pressure leads to premature wear and a decrease in fuel mileage. The entire surface of the tire, both tread and sidewall, should be inspected for uneven or irregular wear. Excessive edge wear, center wear or shoulder wear may be signs that other maintenance is required. Tread can be checked with a penny. Simply insert a penny into your tire's tread groove with Lincoln's head upside down and facing you. If you can see all of Lincoln's head, your tread depth is less than 2/32 inch and it is time to replace your tires.



## 2. CHECK THE BRAKES

Brakes are one of the most used and abused components of a vehicle. A thin layer of the brake pad disintegrates every time brakes are applied. Replace pads or shoes before drums or rotors become damaged, and inspect pads, shoes, drums, rotors, calipers, fittings, brake hardware and the parking brake to ensure they are performing properly.



## 3. LOOK AT SHOCKS AND STRUTS

Following the traditional cold-weather pot-hole season, shocks and struts should be inspected. Shocks and struts are vital to a smooth ride and may also affect a number of related parts on a vehicle.



## 4. INSPECT WIPERS

Windshield wiper blades take a beating during winter weather. Cold temperatures are hard on rubber compounds, and the slush kicked up by traffic often contains corrosive salt that can cause blades to lose their effectiveness. Inspect the wiper blades and make sure they are functioning properly so your vision is not compromised during spring showers and summer storms.



## 5. CHECK BELTS AND HOSES

Winter weather takes a toll on your vehicle's belts and hoses, making them more likely to break. Visibly inspect them for wear. Replace glazed or frayed belts and brittle or bulging hoses.



## 6. WASH AND WAX

Road grime, dirt, debris and corrosive salt can often accumulate on a vehicle over the winter, so it is important to thoroughly wash it, including the undercarriage, once the threat of snow and ice has passed. While washing, look for any scratches or chips to be repaired to prevent rust from forming. After washing, wax your vehicle to protect the paint and finish.



## 7. EXAMINE AIR FILTERS

Vehicles have both engine and cabin air filters. Replacing a dirty engine filter allows clean, unrestricted air flow into the engine and helps ensure proper performance and a longer life. Poor air flow within the engine may also lead to greater fuel consumption. The cabin air filter prevents dust, pollen and other contaminants from entering your vehicle through the heating, ventilation and air-conditioning system. Most filters should be replaced once a year or every 12,000 miles.



## 8. TEST LIGHTS AND SIGNALS

Properly functioning headlights and tail lights are crucial for safe driving, especially at night or in rainy or foggy conditions. Inspect and test all exterior lights, including turn signals and hazard lights to ensure they are working as they should. Lenses should be checked for clarity at the same time.



## 9. INSPECT THE BATTERY

Winter is hard on batteries. After a winter full of cold-morning starts, it is a good idea to check battery strength. You'll want to make sure you have enough power to run the air conditioning and other vehicle accessories when temperatures heat up. When checking the battery, look for corroded terminals and inspect for a bulging or cracked case.



## 10. MAINTAIN PROPER FLUID LEVELS

Automotive fluids and lubricants should be changed at factory-recommended intervals to make sure they are fresh and filled. Dirty fluids and low fluids can affect vehicular performance and lead to breakdowns.



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