

CO-OP CONNECTION

The Sunshine after the Storm

By Tom Boland, President & CEO



The sunshine, longer days and warmer weather tell us that spring is here. It seems that, in 2021, the arrival of this season has some extra emotion and meaning attached to it. Our kids are partially back in school, our church is filled to capacity (whatever the current capacity is), and we're

seeing people coming out of their homes after largely locking themselves in for a year. The vaccine and the sunny weather are combining to bring some enthusiasm to many who desperately need it.

My mom has reminded me several times over the past year that she experienced much of this in her youth, during a polio epidemic. Eventually, a vaccine was found and administered, and people got on with their lives. In that case, living examples dotted the population as polio left a terrible physical toll on kids and adults that they carried for a lifetime. COVID-19 is a bit different. The toll might be in the loss of a loved one, but it also

is in the psychological toll it has taken on many. People not able and sometimes not wanting to wear masks come in conflict with those not wanting to see anyone without a mask. We'll count on spring, the sunshine and the change of the season to help us all move on from that tension. I hope we all learn something from the experience — especially something about ourselves as we move on.

For Skagit Farmers Supply (SFS), we gained a level of confidence amidst the challenge. Skagit Farmers safely kept our businesses open, and found that we successfully navigated the disruption. We improved our internal communication, we learned and followed the latest recommendations, and we went virtual for many things despite wanting to be at these events in person. We learned it could be done and we could do it. SFS gained something as an organization in engaging during the shutdowns.

That confidence and enthusiasm mirrors the optimism of the springtime. At our Country Stores, the chicks are chirping, and the plants are being watered. Our agronomy team is in the field

spreading fertilizer and planting corn. Our mill is manufacturing at capacity, and our wholesale unit has another year of strong growth to its credit. We're keeping your tractors and tanks full of fuel.

Spring at the Boland household is especially meaningful this year, and Kelly's mom, Anna, has joined us for an extended vacation. We're blessed to have her faith, her energy and her love of life around our family. We hope the spring brings you similar feelings. 🌱



Skagit Farmers Supply and Land O'Lakes partnered in February to donate to Project Hope at the Lynden Food Bank.

WILLIAMS BLUEBERRY FARM: PLANT HEALTH BIGGEST PRIORITY

By Brianna Hackler, Graphic & Multimedia Specialist



Harry and Linell Williams, far left, pose with their four children, their children's spouses and all their grandchildren. Harry is a fourth-generation farmer, working on the same land where his great grandmother homesteaded in 1894.

Harry Williams is into blueberries for keeps. As a fourth-generation farmer on the same land his great grandmother homesteaded, he knows farming is not a short-time gig.

"With farming, you're in it for the long-haul," Williams says. "You don't go into farming for one year. This is a long-term deal."

Williams and his wife, Linell, own and operate Williams Blueberry Farm outside Bellingham. Drive east out of town on Highway 542, and you will eventually spot Williams' sprawling 35-acre blueberry farm off to the side of the road, in the same spot the family farm has been for more than a century.

In the late 1800s, Williams' great grandmother arrived in the area with her three grown children. In 1894, the family cleared a small area of land, starting a dairy, a vegetable farm, and boarding rooms.

Two generations later, Williams' parents planted six acres of blueberries. At the time, they planned for the berries to get them into retirement. However, when Williams later took over the farm, he grew the blueberries into the farms' main crop. In 1975, Williams Blueberry Farm was born.

Williams Blueberry Farm does it all, from planting and maintaining the crops, to harvesting and packaging. Annually, the

farm produces more than 200,000 pounds of blueberries. Last year was a record year for the farm, which Williams says produced more than 400,000 pounds of blueberries. He credits much of the production to the health of his plants.

"Plant health is the biggest priority," Williams states. "Production and more tonnage are the end result, but you need healthy, vigorous plants to do that."

When asked how he maintains such healthy plants, Williams laughs and points to Jose Rivera, agronomist with SFS.

"I have a real good agronomist who helps me out," he explains. "If we have any questions, we're always able to call Jose."

Williams sells fresh produce in local counties, and sends processed product to berry brokers, who handle getting frozen products into stores.

At their on-site processing plant, Williams and his staff take the berries from just picked to packaged. The process includes air cleaning, de-stemming, washing, color sorting, hand sorting, and then uses a computerized scale to pack 30-pound boxes.

Williams has three to four employees in the winter who help maintain the crops, and up to 30 employees in the summer who



(Far Left) Harry Williams shows off a 30 lb. box of blueberries, stamped with the farm's logo. On the family-run farm, everyone pitches in to help; his daughter designed the logo when she was in high school as part of a class project.



(Left) Photos from each year line the walls of the on-site processing facility.



(Upper Right, Bottom Left) Workers trim blueberry bushes to keep the plants healthy and encourage additional growth this spring.

(Right) Jose Rivera, agronomist with Skagit Farmers Supply, works with Harry Williams to improve the plant health of his blueberry crop.



help with picking. But he claims much of the farm is still a family-run operation. Linell does the books, and the couple's four children make time around their "real jobs" to help. The Williams' daughter is heavily involved in the food safety inspections, while their sons return home for a few weeks each year to assist with harvest.

Williams says his daughter even designed the farm's logo while she was in high school, as part of a school project.

Williams has seen some big changes since he's been in the industry. Years ago, most picking and packing was done by hand; now, technology has changed that. There are machines that help with picking and packing.

However, the biggest change he has seen is in the structure of family farms. Many farms that used to be family owned were sold to large investment groups when farmers retired or decided to get out of the business. These farms may still carry the family name, but they are part of a large corporation.

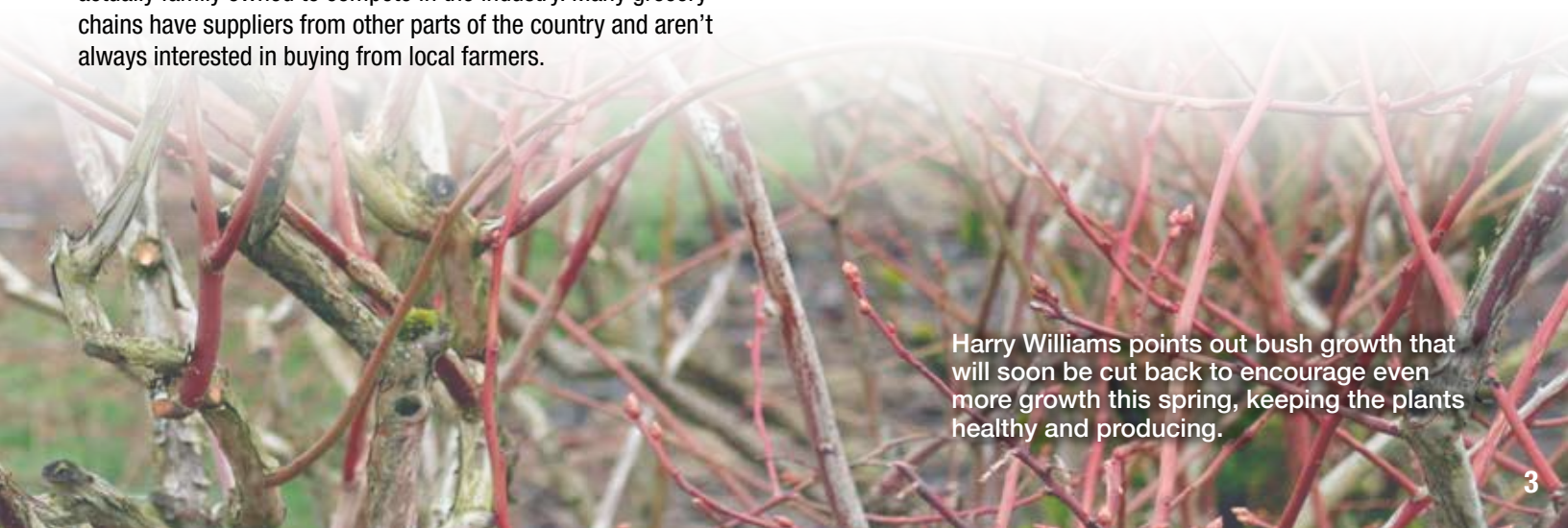
This can make it more difficult for the smaller farms that are actually family owned to compete in the industry. Many grocery chains have suppliers from other parts of the country and aren't always interested in buying from local farmers.

However, Williams has seen an increase in people wanting local produce and wanting to know where their food comes from.

Last year, Williams Blueberry Farm set up a farm stand that complied with COVID protocols that allowed people to come out to the farm to get their produce. He said not only did people love a chance to get out of their house, but they were extremely interested in seeing the farm and learning more about the process.

Williams says this is the direction he sees the future of farming going – getting closer to the customers and having a chance to connect with them, something that's much easier to do as a family-owned farm that has been an integral part of the community for more than a century.

"We love doing what we do," Williams says with a laugh. "You have to be pretty optimistic to be a farmer, but people are always going to keep eating." 🍓



Harry Williams points out bush growth that will soon be cut back to encourage even more growth this spring, keeping the plants healthy and producing.

Skagit Farmers & AFCO Honored To Be Named Recipient of Spokane 2021 Clean Air Award

One of the original owners, Jack Finch, stands in the retail area of the feed milling operation, which began in 1934.

Employees of AFCO Distribution & Milling display the 2021 Clean Air Award. Pictured left to right (back row) Kale Austin, Allen Covey, Scott Austin, Doug Hicks, and Nathan Watson (middle row) Jake Blackburn, David Snyder, Anthony Morgan, Mike Bowser, Sean Jacques, and Kyle Morgan (front row) Earon Delacruz, Justin Minty, Kyle Sager, and Adrianna Suiter.

Our AFCO feed mill in Spokane recently received the 2021 Clean Air Award from the Spokane Regional Clean Air Agency. Through air quality monitoring, compliance and enforcement of air quality requirements, and education, the agency works to improve air quality throughout the Spokane region. The Clean Air Award is presented annually to a company that has consistently demonstrated a commitment to reduce air emissions. The award is a public expression of the agency's appreciation for innovation and is meant to encourage others to follow suit.

The 2021 Clean Air Award is particularly significant since the milling operation (formerly known as the Aslin-Finch Company) has been operating in some capacity since 1934.


SFS leased the mill in 2013 and purchased it in 2017. From the beginning, SFS leadership supported making improvements to address complaints of excessive dust, which had begun to be filed with the Clean Air Agency in the early 1970's.

In a media release produced by the Clean Air Agency, AFCO's Director of Wholesale Distribution and Milling, Lloyd Campbell, stated: "When we began operating, there were no air quality standards or dust control equipment, so we were 'grandfathered' to continue operating as long as we did not make changes to our existed equipment. But the time had come to make the needed changes."

These improvements included new equipment for the mill's filtration system to address FDA standards for dust accumulation and emission, as well as to better air quality in the mill itself. AFCO also changed several processes and educated its employees, suppliers and drivers about the new policies.

The mill, managed by Kyle Morgan, completed its equipment changes in September 2018. "We're proud of Kyle's and Lloyd's accomplishments in reducing dust emissions," says Tom Boland, SFS president and CEO. "Remarkably, they continued to work production around these long-term improvements."

According to the Clean Air Agency, AFCO is no longer required to register with the agency. Referring to mill, the agency states, "There have been no other complaints to the agency about dust emissions from the facility."

The AFCO mill, located along Interstate 90, manufactures a variety of feed products shipped to more than 800 stores in eight northwest states as well as to China (Hong Kong) and to Japan. The mill sources 80% of the grains used in its feed manufacturing operations locally. 

Our Spokane feed mill, located in a highly populated area, has been honored for improving air quality in and around its property.

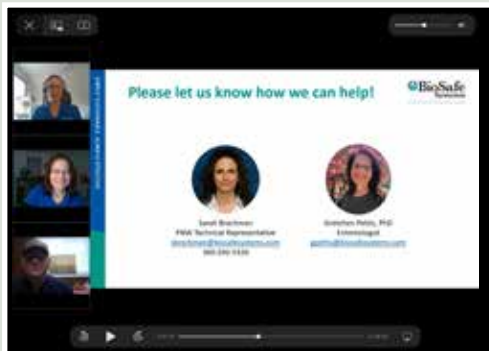




Mike Hunsakor and Raelene Smillie drew employee names for prizes during our virtual holiday party.



Our Burlington Agronomy location manager, Ryan Hill, drew Todd Johnson Farms as the winner of the 55" Samsung TV during the 2021 Virtual Annual Meeting. Names of other members were drawn for prizes as well.



Sarah Brachman and Gretchin Pettis, PhD presented to the Ag Growers Recertification Meeting on behalf of BioSafe Systems. Stan Boon, SFS agronomy salesperson, is pictured also. He helped facilitate the meeting.



Left to right: Jeff Bernheine, Lloyd Campbell, Tiffany Towne, George Arnold, Gary Wilson, Dave Underwood and Brad Servatius attend and present at our 2021 Virtual Board Planning Session from our AFCO Wholesale conference room in Spokane, WA.

New Ways to Share Info – Virtually!

The current pandemic has kept us from meeting our customers and employees face-to-face as we're used to, but that hasn't stopped SFS from communicating.

Our virtual calendar started filling up, and we didn't fight the trend. Communication is important, and the lessons we learned will help us grow in knowledge and in confidence.

In the last newsletter, we mentioned our 2020 Virtual Employee Holiday Party. Since then, we've hosted our 2021 Virtual Board Planning Session and our 2021 Virtual Grower Recertification Meeting, with over 160 attendees getting their credits.

Our 2021 Annual Meeting was pre-recorded and presented to the membership last month. (See "A Report from Your Board" on page 8.) Our 2021 AFCO Buying Show is also going to be virtual this summer.

We hope to be in person next year, but we were thrilled with the attendance and feedback we heard from our "virtual events." 🌱

Your Feedback Requested!

Once again, SFS will be hosting a fall or winter leadership conference which Land O'Lakes calls Cornerstone for Engagement, for young producers and farm couples 50 years or younger. The conference will address questions and topics such as:

- An overview of Skagit Farmers Supply and Land O'Lakes**
- What does it mean to engage with your cooperative?**
- How to tell your story**
- Navigating change**
- Growing your leadership**

We plan to hold this two-day event at the Sleeping Lady Mountain Resort in Leavenworth. SFS will provide lodging for two days at the resort. The meetings are four hours in the afternoon on Day 1 and four hours in the morning on Day 2 — with dinner and a shuttle into Leavenworth on the evening of the conference.

As we plan our 2021 Cornerstone for Engagement Conference, we have two questions:

1. Would you be interested in attending?
2. Should we schedule the Conference before harvest (early September) or after harvest (early December)?

To give your feedback, talk with your Skagit Farmers Supply agronomist or contact our agronomy sales manager, Shannon Perkes, at shannonp@skagitfarmers.com. 🌱

Our 2019 young farmers leadership conference.



Tom Roorda
fertilizes potatoes in
the Skagit Valley.

Skagit Agronomy

SFS operates three agronomy plants delivering conventional and organic solutions and support to our membership west of the Cascade Mountains. We operate the only organic blending plant in our area. We are the largest marketer of corn seed in the area. With over 10,000 tons of conventional dry storage and 230,000 gallons of conventional liquid storage, we can rail in and hold a lot of what our members will need prior to the ground drying out each spring.

This infrastructure has been put in place, maintained and improved under the guidance of farmers on our board of directors. This is done for our farmer members, to support the success and overall viability of local agriculture. We do that with our physical assets, and we do it with people. In the last newsletter, we introduced our sales team. In this issue, we'd like to introduce a few operations team members.

Our Burlington agronomy plant is the newest and is run by our location manager, Ryan Hill. Ryan has worked for the co-op



Ryan Hill in the control room in Burlington , during an FFA tour before the pandemic.

Offers Conventional and Organic Solutions

for seven years, after serving in the United States Navy. Our new plant has several strong features that help generate the return on investment needed to make it successful. Rail car unloading is three to four times faster than the old plant. We can store and blend loads at almost eight times the speed of the old system. We can add more micronutrients and YaraVita® Procote™ in less time than a traditional blend of three products would take. Our bagging line can be operated with one employee. We run our largest corn planter out of this plant. Ryan has the ability to keep his eye on the entire operation from his control panel on the second floor of the plant. Ryan enjoys woodworking in his spare time and lives with his family in Island County.

Jay Renwick is the location manager for our Conway agronomy center. For over five years, Jay has worked for SFS and started with us as a store manager in Stanwood. Jay has an ag background and asked for a transfer into our agronomy department a few years ago. Our Conway operation is our most diverse plant. We blend organic fertilizer in a segregated blending building. We also market conventional fertilizer, run seed blends and dispatch our spread jobs for Snohomish, Skagit, and Island Counties out of Conway. While Conway is almost a 30-year-old site, we replaced the legs in the plant in 2020, and we've replaced several roofs, the siding and the parking lot in the past two years. Jay and his family live in Skagit County and he trains hunting dogs in his spare time.

We moved into the Lynden market last year when Elenbaas exited the market. Our focus is giving growers another local choice in the market and offering the same services to Whatcom County members that we have traditionally offered in our other markets. Our location manager, Doug Lambert, brings a lot of experience in Whatcom County with his years at Elenbaas, Delaval Dairy Service and his deep roots in the area. We offer organic and conventional fertilizer blends, spreading and spraying, and we support corn planting in the market. Our goal is to support local farmers in keeping all of their acres productive and profitable, for local agriculture to remain and for residents to continue to enjoy the healthy fruits, vegetables, dairy and beef that is raised here. Doug and his wife are grandparents and enjoy any chance they get with their grandkids.

Our field crew is run by our operations manager, Tom Roorda. Tom has worked at SFS for nine years and oversees our agronomy equipment, our sprayers and spreaders. It's a bit of a logistical feat and nightmare to transition the staff and equipment during a busy season, with a geography that runs from Monroe to the south, up to the border and from Central Whidbey Island to the Cascades. It's a geography with a lot of people, traffic and sensibilities who don't always appreciate what it takes to produce the nutritious food raised by our productive membership. Tom has deep roots in Whatcom County and now lives with his wife and child in Skagit County. 🌱



Doug Lambert in the chemical warehouse in Lynden.



Jay Renwick in our organic blending shed in Conway, with a shipment of Penguin Guano from Chile.



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A Report from Your Board


Spring is here and things feel like they are returning to normal. People are getting out of their houses to enjoy the sunshine. We're also seeing more and more elderly venturing outside after getting a few doses of the vaccine. We're hoping everyone stays safe during spring planting and is able to move around with more confidence and even enjoyment after this past year.

The office staff mailed out ballots and information for logging in to watch the virtual annual meeting. It was entirely informational as the minutes and election were approved and voted via mail-in ballot again this year. A brief recap of the meeting is as follows: Nels Lagerlund was reelected to the SFS board of directors. Nels' seat was the only seat up for election this year.

Our auditor, Brandon Hanson with Moss Adams, presented the audit. Again this year, SFS achieved record sales and earnings. The record sales came from all division and

product lines including propane, refined fuels, feed, retail and wholesale, and agronomy. SFS did not require PPP or other transfer payments as we had a strong six months prior to the pandemic starting and our government shutting things down.

The Board is very appreciative of the strong efforts of our employees and of the great support you, our member owners, continue to give us. We are paying out 50% of our total patronage in cash again this June, which will also be a record amount. For our farmer members, the stock portion is once again issued as a non-qualified distribution. That tax benefit is another advantage to being a member of SFS. We're proud of these results. These dollars go to you and your neighbors. They are sent to businesses and farmer-owners of SFS in the counties of western Washington where the co-op was created so many years ago.

Once again, we wish you a healthy and safe spring. 



Board Chairman Nels Lagerlund gives a report to the members at our virtual annual meeting.



Skagit Farmers Supply partnered with Land O'Lakes in February to support several local food banks, including this one in Spokane.

MISSION STATEMENT

To preserve and enhance viability of the local agriculture economy through cooperative profitability.

VISION STATEMENT

To be the premier cooperative in the Pacific Northwest by being:

- The producers' first choice
- The consumers' first choice
- The employees' first choice

CORE VALUES

Customer Commitment - People - Integrity
Performance - Quality - Safety - Community

DIRECTORY

Main Office-Burlington

360.757.6053

AFCO Distribution & Milling

800.538.8700

Agronomy-Conway

360.445.5015

Agronomy-Lynden

360.755.3615

Agronomy-Burlington

360.757.7870

Energy-Main Office

360.757.6053

Petroleum & Propane Delivery

360.757.6053 // 888.757.6053

Emergency: 360.209.0310

Country Stores

Farm • Pet • Home

Burlington	360.757.4055
Coeur d'Alene (Idaho)	208.772.2715
Colville	509.684.2232
Freeland	360.331.1970
Mount Vernon	360.424.4207
Oak Harbor	360.675.2277
Oroville	509.560.7088
Sedro Woolley	360.856.6567
Spokane Central	509.534.1412
Spokane Valley	509.926.6603
Stanwood	360.629.7033
Stevensville (Montana)	406.777.5527