

# DUNKERTON COOPERATIVE ELEVATOR

Dunkerton, Iowa



THREE DECADES OF SERVICE

## PERSONNEL — 1975

### Board of Directors

Kenneth Rigdon, President

Raymond Hoffman Jr., Vice President

Rodger Dos, Secretary

Clair Chase

Norman Clubine

Arthur Kass

Donald Reiter

Matt Schmitz

Claude Weber

### Employees

Kenneth Moen, Manager

Carol Brandt, Bookkeeper

Gene Maurer, LP Gas

Daryl DeVries

Paul French

Darrell McLaury

Jerry Schoenthal

Mike Weber

Henry Wheeler

### Part Time

Morris Adams

Mike Etringer

Rich Moen

JoAnn Weber

### President's Report



THE DUNKERTON COOPERATIVE ELEVATOR has survived many misfortunes in it's short 30 years. Financially the worst blow was in May of 1966 when, after a special audit, we found our business practically at the verge of bankruptcy. The directors did not take the advice to let the co-op go into receivership. Instead, they made a determined effort to make the business succeed and get on the move again.

Four men who have served as managers of the co-op since that time have to receive most of the credit for the success and growth of the business to the present level of service that it performs for the members of today. Frank Greenlee, Roger Hudgins, Paul Hudgins, and Kenny Moen have all contributed a great deal toward growth and financial success of the co-op during their time of service as managers. Many other loyal employees also contributed.

Midland Cooperatives Incorporated, our wholesale distributor, to whom we found ourselves deeply indebted to in 1966, has been extremely helpful to this cooperative, not only as an excellent supplier but helpful in our financial dilemma. The People's Bank and Trust Co. of Waterloo has also contributed a great deal of help to us financially, mainly because of the faith of their long-time president, George Allbee, that our business could survive.

The dedicated work of directors who have served through the entire 30 years and continued patronage of the members during the years when misfortune struck us so many times have kept the business in the community.

The largest expansion program of the co-op's history is planned for 1975. The directors made the decision for it so as to keep abreast of the trends and changes in today's agriculture. With continued patronage of the members these additional facilities will mean better service to them.

—Kenneth Rigdon

General  
Manager's  
Report



MEMORIES OF THE PROBLEM years were still very much in evidence when I came to work in Dunkerton on Oct. 1, 1969. Fortunately for the community there were some members who wouldn't say "die," sticking with the co-op until today it is back to better than 50% local ownership. Guidance by Midland personnel has contributed a great deal to the success story shown in the 1974 annual report. The board is very grateful for Midland's help, and I am sure that many of the members share this feeling.

Most people in this community realize that if it hadn't been for a very dedicated board of directors, the Dunkerton Co-op Elevator would not be in existence today. These men not only had to use their best judgment in making decisions but they also had to encourage their neighbors to patronize their cooperative.

In order for any cooperative to succeed member participation is needed. And to encourage this we have sponsored many bus trips to Minneapolis to visit the Grain Exchange and Midland facilities, and to attend a number of informational meetings. And our meeting attendance has grown. The large attendance we have enjoyed at the last two or three meetings prompted the board to move our 30th anniversary annual meeting to the high school gym.

The following statement, clipped from a farm magazine is posted on the wall of my office. I feel that it expresses the attitude that we the employees of your co-op must have: "Business is a sensitive thing. It goes where it is invited, stays where it is cared for, and grows where it is cultivated."

I wish to thank the Midland Publications Department for organizing and printing this booklet and for taking most of the photos. And special thanks are due to Charlie Wilcox and Lee Rigdon for their contributions on the early history of your cooperative.

—Kenneth Moen

## AN EVENING CLASS SOWED THE SEED

by Charles Wilcox

Mr. Moen's letter asking about the start of the Dunkerton Cooperative Elevator gave me a good feeling inside. He also asked about my own career.

We had two feed dealers in Dunkerton but one sold out. The price of feed went up. Our Vocational Agriculture Adult Evening Class discussed what could be done to bring back some competition. An interesting study of cooperatives followed. The feeling of need was very strong. Goals were set, shares of stock sold, directors elected and contracts let. Problems arose but people learned the meaning of cooperation. We do not advance unless we act, they learned. When we act we make some mistakes, but the only failure is quitting. The outstanding leadership of the directors who gave of their time and abilities toward overcoming each problem made this cooperative venture succeed.



I was born and raised on Farms in Buchanan County, Iowa, graduated from Iowa State College, taught Vocational Agriculture for nine years at Dunkerton and four at Manchester, Iowa. I worked two years in Nepal and two years in Brazil to help improve food and living conditions of their people. This is my 19th year as preventive maintenance engineer with Phillips Petroleum Co., at Phillips, Texas.

The fine people of Dunkerton and the Dunkerton community will always be dear to my heart. I started teaching there and our three children were born there. We now have seven grandchildren.

My closing thought is that cooperatives, in which people work together, are winners in many ways.

## VETERAN DIRECTOR REMEMBERS

by Lee Rigdon

I am one of the original stockholders of the Dunkerton Co-op Elevator and was elected to the board in 1947. The following year I was chosen president of the board. I also served as manager for about nine months. All we had at the time was feed business.

In 1946 we started to build, having an elevator pit and a foundation for a feed warehouse dug. But we ran out of money so the project was stalled for nearly a year. The contractor agreed to build the warehouse if we would pay him the \$5,000 we already owed him. We could not sell stock to raise money, so four of us directors underwrote the debt. That got us into the feed business.

There were no books set up until 1947. Then my wife set up the books with the help of the Dike Co-op. The first audit was made in our home by an auditor of the Grain Dealers Ass'n.

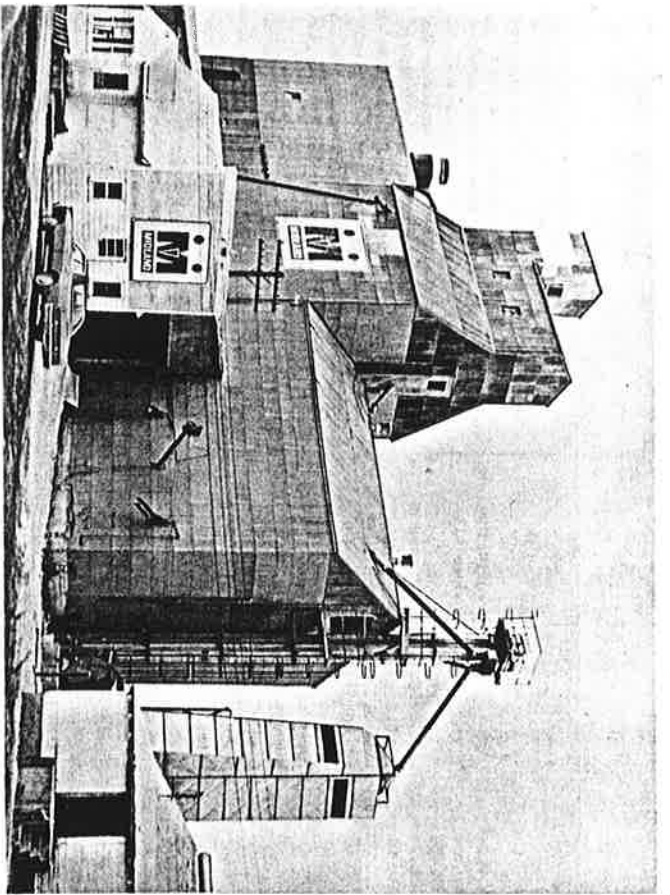
I recall one incident when I was on the board and was trying to raise money in 1947. One of the original 1944 board members told me that we were broke, adding that the co-op was "something that died aborning." I answered that there was great need for the co-op and that where there is a need and will, there has to be a way.

During these 30 years we have gone through a fire (1947), a flood (1968), had our ups and downs with C.C.C., but have come up bigger, better and stronger every year.

Remembering the 30 years the co-op has existed after starting completely from scratch, it is hard to think of an institution that could offer a community as much as our organization can at the present. At age 70 and now retired, when I think back over the 27 years since getting involved, it seems almost like a dream. I feel quite proud of the small part I had in helping to get the co-op started, and am sure that it will get bigger and better in the years to come.



Directors of the Dunkerton Cooperative Elevator are: left to right, sitting; Raymond Hoffman Jr., vice president, Kenneth Rigdon, president, and Rodger Dos, secretary; standing, Don Reiter, Norman Clubine, Clair Chase, Matt Schmitz and Claude Weber. Not pictured is Art Kass.



Dunkerton Cooperative Elevator and main office and elevator as it appears in 1975.

## HIGHLIGHTS OF HISTORY

In December, 1944 Franklin D. Roosevelt, freshly re-elected for an unprecedented fourth term was anxiously watching the Battle of the Bulge, the Nazis' desperate effort to break out of the Allied pincers closing in on their Third Reich. In South Pacific Admiral Wm. F. "Bull" Halsey's fleet was scoring major victories over the Japanese Navy.

And while force of political democracy were gaining in the global struggle, the farmers of Dunkerton, Iowa were busily building toward local economic democracy. On Dec. 21, 1944 they gave themselves a lasting Christmas present by organizing the Dunkerton Cooperative Elevator.

In the following we list some of the major events in our co-op's first 30 years, and its directors in the order of their first election to the board:

1943: One of Dunkerton's two private elevators sold out and, with competition gone,

feed prices soared. The adult evening class of Vo. Ag. Instructor Charles E. Wilcox discussed the situation, studied cooperatives, and that led to organization.

1944: Co-op incorporated by Claire Bailey, Herbert Meyerhoff, John Wellner, John Payne, Laurence Stout, Harry Wheeler, Gordon Dunkerton, A.M. Koster and James Stewart.

1946: Foundation for a feed warehouse and an elevator pit dug. Money ran out, drive to sell stock stalled, and contractor demanded \$5,000 for work done. Four directors underwrote project to save it.

1947: New director: Lee Rigdon.

1949: Directors Alfred Happel, Ray Miller, Frank Leibert, Oren Fetherther, Neuman Martenson and Rigdon.

1950: Sales Top \$200,000, net margin \$5,

000. New director: Richard Jefferson

1951: New directors: Mike Staebell and John Kreb.



Gene Maurer, LP gas driver for the Dunkerton Cooperative.

1953: New directors: Gordon Dunkerton, Dan Clubine, Geo. Meyerhoff and Loyd Weidman.

1954: Elevator and fertilizer warehouse built, feed mixing facilities acquired. Sales increased by 250% in first six months in new facilities, totaling \$456,811 for year. Net \$17,498. New directors: John Stewart, Ray Hoffman, Jr., and Glen Lumbus.

1955: Grain storage building constructed and grain moving equipment bought. Branch warehouse opened at Fairbanks.

1957: Portable mill acquired. New directors: Eugene Roedeske, Herb Albrecht, Elwin Foss, Alfred Hunnertler, Claude Eldridge and Norbert Schares, Oliver Smith and Alfred Happel.

1958: Sales \$1,116,577, net \$27,216. Office addition and bulk feed load-out built. Fertilizer plant, dryer and semi-scale added. New directors: Paul Staebell and Rodger Doss.

1959: Land bought and additional grain storage built. New directors: Joe Magee, K. Rigdon and Earl Bartholomew.

1960: Bulk feed delivery truck bought. New directors: Roy Wheeler and Richard Steffer.

1961: New director: Claude Weber.

1963: Automatic fertilizer bagger and complete soil testing service added. New director: Glenn Teisinger.

1964: New directors: Bob Jefferson and Raymond Hoffman, Jr.

1965: Sales climb to \$2,333,651, but loss of \$6,845 accrued.

1966: Sales drop to \$1,724,004, and loss soars to \$159,709.

1967: Sales drop further, to \$1,422,217, but operations back in black, net totaling \$36,202. New director: Art Kass.

1968: \$30,000 damage from flash flood, 1,000 bu. soybeans, 10,000 bu. corn, 80 tons fertilizer and one ton soil insecticides submerged. Motors, feeds, LP gas, trucks and much other equipment damaged. Members' individual losses great, even cattle swept away. Sales drop further, to \$1,046,838, but \$13,528 net realized. New directors: Clinton Sage and Robert Jefferson.

1970: New directors: Matt Schmitz and Clair Chase.

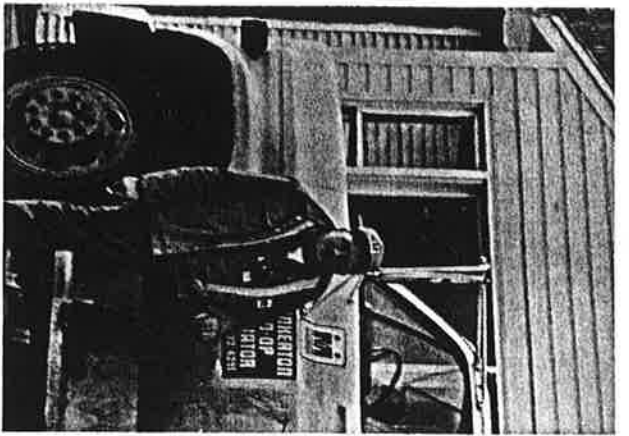
1972: Sales total \$2,088,381, net \$60,188.

1973: Sales nearly double those of '72,

totaling \$3,961,528, net \$142,234. New director:



Jerry Schoenthal, left, talks with Loren Grady, a patron of the Dunkerton Co-op.



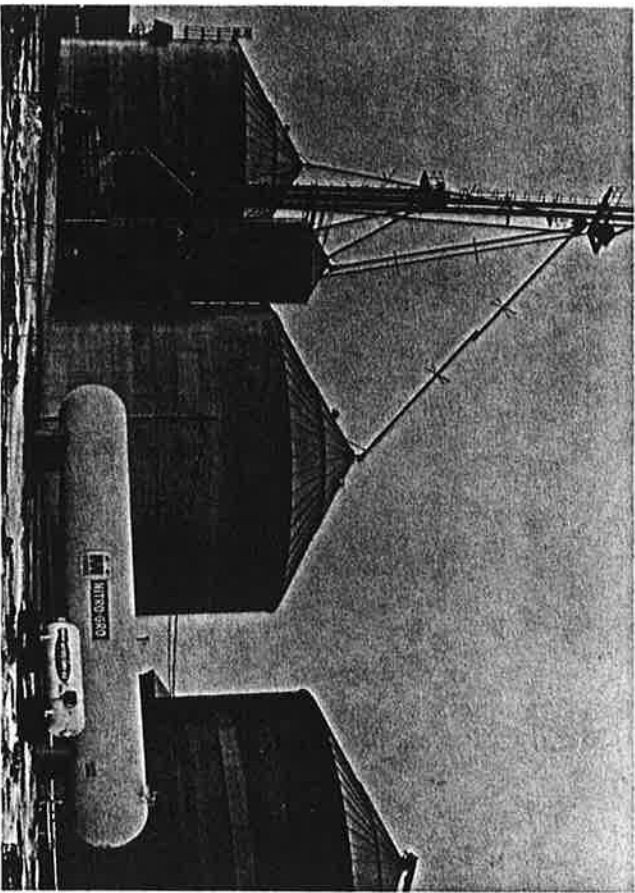
Henry Wheeler, bulk feed driver for the Dunkerton Cooperative.

Donald Reiter.  
1974: Sales \$5,412,002, net \$261,408. New director: Norman Clubhine.

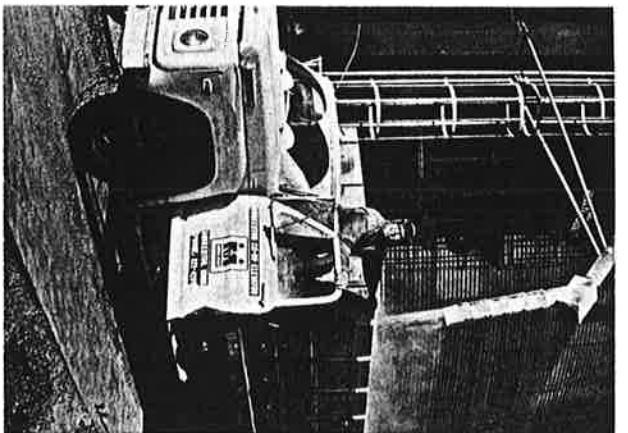
An article in the June 15, 1959 Midland Co-operator marvelled at the size and growth of our Dunkerton Co-op Elevator: "Dunkerton itself is not much more than the proverbial wide spot in the road — 409 population according to the 1950 census — yet the co-op has 300 members. . . ." The spot in the road hasn't widened much in the ensuing 16 years, the present village population being 500, while the co-op's membership is 350.

Many co-ops are proud of being vital parts of their communities. In Dunkerton, Iowa the co-op IS the community, the people of our area having learned how to use their common economic strength.

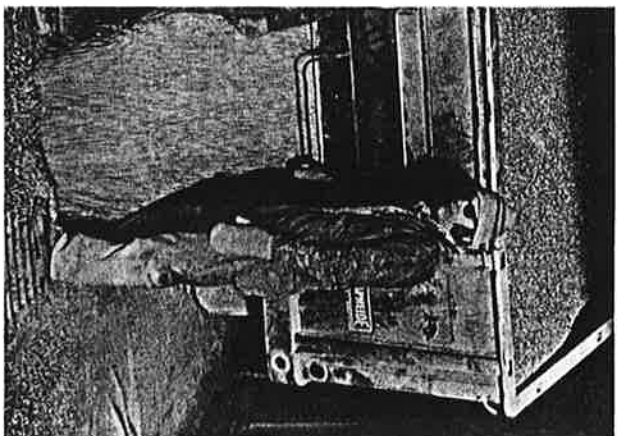
(Editor's note: There is no record of board changes until 1951.)



Grain storage and anhydrous ammonia tanks at the elevator.



Mike Weber loads a co-op truck with corn.



Darrell McLaury unloads the corn at the elevator.

#### FEED TONNAGES

This feed tonnage table shows how well Midland products have been accepted when we really went to work on them:

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
Midland —	428	863	1248	1862	1862	1969
Rath —	609	256	146	55		
Other —	<u>358</u>	<u>461</u>	<u>404</u>	<u>498</u>	<u>202</u>	<u>133</u>
	1397	1480	1390	1801	2064	2102

("Other" includes Clear Quill, Kant, Salt, Bone Meal, etc.)

We have about 370 farm supply and grain customers, and 130 LP customers who do not use farm supplies. Many of the farm supply customers also use LP.

**DUNKERTON COOPERATIVE ELEVATOR**

**BALANCE SHEET**  
January 31, 1975

**STATEMENT OF OPERATIONS**  
February 1, 1974 to January 31, 1975

**ASSETS**

**CURRENT ASSETS:**

Cash on Hand	\$ 737.50		\$ 5,821.11
Cash in Bank	5,083.61		
Accounts Receivable:			
Patrons' Accounts	85,636.17		
Accrued Storage	3,916.15		
Other			
Notes Receivable	30,833.42	89,552.32	
Less: Notes Discounted	( 9,598.40)*		
Grain and Merchandise Inventories		21,285.02	
Less: Storage Liability		2,377,678.00	
Prepaid Insurance		( 1,547,795.54)	
Total Current Assets		6,226.55	
		952,767.46	

**INVESTMENTS:**

Equities in Other Cooperatives	182,552.11		183,252.11
Other	700.00		

**FIXED ASSETS:**

Total Cost of Depreciable Assets	691,526.36		316,081.90
Less: Depreciation Allowance	(375,444.46)		13,114.69
Land			1,465,216.16

**TOTAL ASSETS**

**LIABILITIES**

**CURRENT LIABILITIES:**

Patrons Credit Balance	242,769.88	1,299.62	
Accounts Payable, Midland	2,902.42	245,672.30	
Accounts Payable, Others		155,876.04	
Notes Payable Within One Year		46,803.10	
Patronage Refunds Payable		300,200.00	
Grain Drafts		1,181.14	
Payroll Deductions		1,252.50	
Dividends on Shares		1,179.27	
State Sales Tax		500.00	
Prepaid Meter Rent		530.00	
Common Stock Recalled			
Accruals:			
Interest on Loans	2,555.47		
Federal & State Income Tax	5,984.43		
Payroll Taxes	936.93		
Property Taxes	7,575.88		
Total Current Liabilities		17,052.71	
		771,546.68	

**NON-CURRENT LIABILITIES:**

Notes & Mortgage Loans	220,762.33		64,886.29
Less: Current Portion	(155,876.04)		836,432.97
Total Liabilities			

**CAPITAL EQUITIES**

<b>SHARES:</b>			
Common, Voting	4,540.00		
Preferred	41,865.00		
Patronage Refunds Payable in Shares	187,212.39		
<b>RESERVES:</b>			
Patrons' Equity	293,527.69	395,165.80	
General	101,447.13		
Donated Surplus	190.98		
Total Liabilities and Capital Equities		1,465,216.16	

**TOTAL SALES**

NET COST OF SALES

**GROSS MARGINS**

**SERVICE REVENUES**

**TOTAL GROSS MARGINS AND SERVICE REVENUES**

**OPERATING EXPENSES:**

Merchandising:	\$ 73,975.38	
Plant Wages	13,031.18	
L.P. Commissions	4,941.28	
Payroll Tax Expense	2,841.79	
Employee Group Insurance	10,881.55	
Truck Expenses	13,484.57	
Fuel For Drying	4,472.30	
Supplies Used	4,316.91	
Fuel - Light - Power - Water	22,770.90	
Repairs and Maintenance	3,501.29	
Rent And Lease	2,011.70	
Advertising		
Total	156,228.85	

**ADMINISTRATIVE:**

Directors' Fees and Expenses	895.00	
Management and Office Salaries	34,236.59	
Office Supplies and Postage	2,771.80	
Telephone	1,103.37	
Auditing and Tax Service	2,086.74	
Total	41,093.50	

**GENERAL OVERHEAD:**

Property Taxes	7,718.68	
Insurance	11,951.99	
Depreciation	35,034.83	
Meeting Expense	3,961.59	
Unclassified Expense	6,658.14	
Total	65,325.23	

**TOTAL OPERATING EXPENSES**

**NET OPERATING MARGINS**

**OTHER REVENUES:**

Patronage Refunds	113,285.81	
Interest Income	6,821.00	
All Other	1,533.18	
Total	121,639.99	

**OTHER COSTS:**

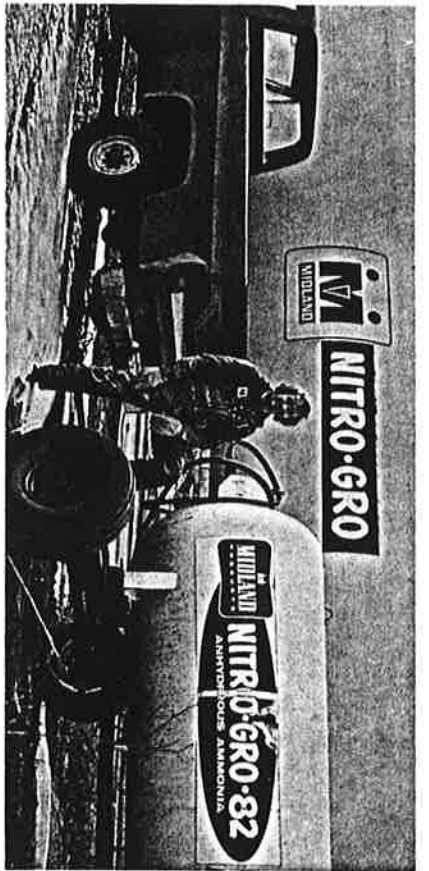
Interest on Loans	21,046.51	
Bad Debt and Collection Expense	305.38	
Total	21,351.89	

**NET OTHER REVENUE (COSTS)**

**NET MARGIN**

\$5,412,002.40	
5,124,818.16	
287,184.24	
136,584.11	
423,768.35	
262,647.58	
161,120.77	
261,408.87	
100,288.10	





Paul French, co-op employee, stands beside a tank of anhydrous ammonia.



Carol Brandt, bookkeeper for the Dunkerton Cooperative.



James Boyke, feed resale person for Dunkerton and Luana cooperatives.



Morris Adams, hauls finished feed from the Midland mill in New Hampton to Dunkerton.

Sales and net margin history of Dunkerton Cooperative

	SALES	NET MARGINS*
1946	\$ 134,677	\$ 4,486
1947	193,600	7,321
1948	173,130	3,985
1949	175,741	6,707
1950	205,545	5,040
1951	232,964	239
1952	223,349	210
1953	215,455	7,067
1954	456,811	17,498
1955	555,912	22,592
1956	702,820	30,180
1957	834,439	36,513
1958	1,116,577	27,216
1959	1,090,204	34,177
1960	685,736 (9 months)	26,227
1961	1,113,554	43,801
1962	1,162,225	26,618
1963	1,207,369	11,313
1964	1,735,757	20,046
1965	2,353,651	( 6,845)
1966	1,724,004	(159,709)
1967	1,488,392	36,202
1968	1,097,741	13,528
1969	1,072,491	28,680
1970	1,602,310	31,388
1971	2,026,141	36,354
1972	2,147,429	60,188
1973	4,054,822	142,234
1974	5,124,818	261,408

\*No books were kept during 1945, the first year of operations, but auditors have estimated that the co-op's net margins that year totaled \$1,100.

