

Farmers Co-op of Hanska

Proud to be Farmer-Owned

Spring 2016

1929-2016

87 Years



FCH Board Members:

Richard Wellmann
-President

Randy Aschenbrenner
-Vice President

Mark Fischer
-Secretary/Treasurer

Gerald Grathwohl
-Director

Richard Wurtzberger
-Director

Brad Portner
-Director

Herman Anderson
-Director

BOARD OF DIRECTORS

The Board of Directors has been busy with the selection process of finding a General Manager for your Cooperative. The process started in October when the Board decided to utilize an Interim Manager to run operations. This would allow the Board some time to do a thorough search for the GM position. During this period the Board has contracted the Services of Larry Wojchik and Lee Uldbjerg, Business Development Services of Land O' Lakes, Inc. Their responsibility will be to facilitate with the General Manager Search. Larry and Lee offer many years of experience in searching, finding, placing qualified Managers. They have succeeded in doing that for many Cooperatives. The GM Position was posted in December with a final application date of January 20, 2016. During that period the Coop received 20 applications. On Friday January 29th, 2016 the Board selected 4 applicants with cooperative management experience to interview. The interviewing

process will occur during the month of February. We hope to make an offer to one of these Candidates no later than March 1st with the position being filled by April 1st, 2016.

November 2, 2015, Wayne Gordon was hired to serve as the Coop's Interim Manager. Wayne will base out of the Hanska Office and will manage the day to day operations for the Coop. Wayne has many years of Managing experience and is an experienced Interim Manager. If you have any questions or ideas stop in at the Hanska office and visit with Wayne.

The Board would like to thank the Members for their loyalty and patronage to Farmers Cooperative of Hanska. Richard Wellmann, Randy Aschenbrenner, Mark Fischer, Gerald Grathwohl, Richard Wurtzberger, Brad Portner, Herman Anderson. – Board of Directors

INTERIM GENERAL MANAGER

My name is Wayne W. Gordon your Interim Manager. To help you understand what an Interim Manager is and what he/she does, I will list what I think the primary responsibilities/duties are for a successful Interim Manager. Basically an Interim Manager is hired to run the day to day operations of the Coop in an efficient and effective manner. That person is responsible to communicate with the Board, Management Team, Members, Customers, and Employees. That person should have the abilities to analysis operations, financial performance, Employee performance, and growth opportunities. That person should provide unbiased opinions and suggestions to the Board and Management Team to strengthen the Coop. That person should have a Team Managing philosophy to strengthen the Management Team efforts to create and maintaining a successful Cooperative. That person should make the transition of hiring and starting out a new General Manager smooth and efficient.

I have been your Interim Manager since the beginning of November, 2015. During these three months I have found a

basically sound Coop with good Employees, Directors, and Customers. The Coop Employee base had some holes and the Coop Team has made some changes and additions. I feel these changes will strengthen the Coop and grow the confidence level of our Customers. With the purchase of the two Feed Mills and Grain Facilities (Mankato and Courtland), the Coop has double its feed volume and improved its corn grind to approximately 14,000 bu/day. With proper management this will be a good investment for the Coop and its Members. The Coop's Management Team knows that the Coop needs to be profitable and grow its business to serve the Members as well as their growing businesses.

My door is always open to visit, listen, and respond to any of your questions, thoughts, or ideas.

Wayne W. Gordon – Interim General Manager
507-439-6244 Ext. 5

AGRONOMY



Bill Meyer



Mark Bocock

There have been numerous staff changes in the Agronomy department in the last few months. I started in early November of last year, our agronomist – Mark Bocock – joined

the company in the middle of December, and we recently hired a full time administrative assistant – Kailey Seifert – who joined us at the end of January. All of us realize that we need to earn your trust and respect to make this department grow and be successful, and we will do our best to do just that.

Mark and I have talked about what we can do to make things better, and we have decided that we need to look at every facet of the agronomy department to see what if anything needs to be looked at and improved. Mark has already been in contact with a number of different seed companies to find out what we can do to improve the lineup that we currently have, and to offer seed that will be able to get our customers top yields, but also be reasonably priced at the same time. This is not saying that we are going to drop them all, but I believe that there may be a couple changes in the lineup in the near future.

I have been working with our chemical distributors and local agronomists to make sure that we have the right chemicals and adjuvants on hand so that we can do a good job on those hard to kill weeds.

One nice thing about being a local, independent company is that we have the freedom to purchase commodities from whoever we choose. I have 7 fertilizer distributors that I work with on a continuing basis to purchase product as cost effectively as possible. One thing I have learned throughout the years is that the volume of product that you buy at 1 time is not as important as making sure that you buy at the right time. If we do things right, we can buy just as good if not better than the bigger companies.

Pricing for Spring NPK is down somewhat from last Fall. This does not occur very often as Fall is generally the better priced time frame. The fertilizer market is slowly making its way down to match the corn and soybean markets. It is hard to say how much farther these prices may fall, it will mainly depend on the grain markets now. A lot of questions are asked about fertilizer pricing and why it doesn't adjust faster to the market. Manufacturers are now matching production to demand, so that keeps prices up. With us also being in a global market, manufacturers are not shy about sending product overseas or also turning ships around that are headed here, if they have an opportunity to make more money doing that. They would rather idle plants then produce too much. Plus they have shareholders to keep happy !!

We recently moved our lawn fertilizer from the Hilltop location to the fertilizer office in Hanska. (A lot of you probably didn't even realize that we offer lawn fertilizer). This is our lineup. Lawn 24-0-10, 10,000 sq foot coverage. Weed & Feed 25-0-8, 15,000 sq foot coverage. Crabgrass control 27-0-8, 13,500 sq foot coverage. Lawn starter

18-22-6, 10,000 sq foot coverage. Garden 10-10-10, 2,000 sq foot coverage. Call or stop by for pricing and to pick some up.

As we approach Spring, please make an effort to stop in and go through field maps and plans so that we can get everything finalized before the Spring rush hits. Also a reminder that we would like a day or two notice ahead of when you would like any work done as this will help us plan our daily routes so that we can keep the floaters in the field instead of on the road.

We thank you for your past business and look forward to serving you in the future. Have a safe planting season!!!!

Bill Meyer – Agronomy Manager
(507) 439-6244 Ext. 4

Mark Bocock - *Sales*

Andy Miller, Ryan Guldán, Lance Sletta - *Operations*

Kailey Seifert - *Accounting*

ENERGY



Brian Stueber

I want to thank all of our patrons for another successful harvest, here at the Farmers Coop of Hanska. I also want to thank all of my fellow employees who put long hours in to provide the good service we are known for.

We recently hired Dallas Larson for propane delivery and service work.

Grant and Dallas will be performing

leak/regulator checks for our propane customers, this summer. We are required to perform system leak checks every five years and regulators need to be replaced every fifteen years. If you know you are in need of a check and would like to get it scheduled, please call the Energy office.

This winter was very mild; as a result we will be wrapping up our scheduled fill routes shortly. Please keep an eye on your tanks and call if you should need any propane before summer-fill starts.

The Farmers Coop of Hanska will be offering a Budget Billing Program for the upcoming heating season. The program will begin in July and will run through April 2017. Budget billing is a good way to spread out your heating expense, evenly, over ten months. We will have more details regarding this program in our Duty to Warn mailing, in May.

If you are in need of a bulk oil, please call ahead so that we can make an efficient route for delivery. We have a special on bulk oil until March 20th, 10% off! Call Grant for details (507) 276-1006.

On behalf of the Energy Department, we hope you all have a safe planting season!!

Brian Stueber – Energy Manager
(507) 439-6244 Ext. 2

Dallas Larson, Grant Romberg - *Delivery*

Randi Blackstad - *Accounting*

ADMINISTRATIVE

On August 1st, 2015, Farmers Coop of Hanska changed their accounting software to Agvantage. Agvantage is a highly respected software company based out of Rochester, MN. They have served the Ag industry for over 38 years and have approximately 200 ag-business customers in 25 states. Software changes are rarely a smooth transition but as we move forward, we feel the customers of FCH will benefit greatly.

One of Agvantage Software's most popular features is "eAgvantage." This feature allows customers to access their accounts on-line. The information available includes account balances, grain contracts, and grain payment information including detailed load information. To set your accounts up for eAgvantage, visit our website at www.hanskaco.com. Click on the link to "Patron Access – eAgvantage" on the left-hand side of the page and follow the directions for a "First time sign on".

Agvantage Software also allows us to settle on grain with ACH direct deposits. Many customers are taking advantage of this feature that allows us to deposit your grain settlement directly into your bank account within 2 business days rather than mailing a check. Contact Karen in the grain department if you would like to get set up on this program.

Please contact us anytime you have a question on your account. The sooner we can address the issue, the easier it is to resolve the problem. Thank you for your business.

Darren Pierskalla – Controller
(507) 439-6244 Ext. 5

Brandon Mohr - *Human Resources/Safety Director*

Candie Martinka - *Accounts Payable*

GRAIN



The fall harvest of 2015 brought to many producers some very good yields in this area. With the favorable weather we had, harvest started early and was done quickly. The quality of the grain was excellent and many were able to put corn directly into their bin. We need to make sure we keep monitoring these bins to keep the grain in prime condition until we move it to market.

Scott Ziegler We need to market the remaining unpriced bushels from our 2015 crop along with a marketing plan for some of the 2016 crop. FCH has many different marketing plans that we are happy to help you with when setting up your marketing plans. We have on the farm pick-up to assist you with delivery. If you would like to learn more about these programs please feel free to give us a call at the Mankato office (507-345-4103), or the Hanska office (507-439-6003). I am also available to meet with you in either location to go over these programs by appointment.

FCH is working on a marketing program for 2016 of Wheat which we hope to have in place by March 1st. Due to the recent announcement from some of our outlet markets for oats we currently don't have a new crop market. We are working on trying to find other outlets other than our feed mills, as they use a limited amount.

We also at this time will not be taking soybeans that are Dicamba or 2-4-D resistant.

We look forward to working with you and Thank You for all your business.

Scott Ziegler - Manager - (800) 216-0742

Karen Beranek - *Accountant*

Lexi Kasper - *Grain Assistant*

Chad Globes, Zach Vee, Chris Walters, Amy Johnson, Dusty Voges, Ross Johnson, Micah Deree, Shawn Jones, Henry Karstens - *Elevator Operations*

Randy Waibel, Tony Burtman, Dean Lewis, Randy Compart, Brian Flowers, Michael Denn, Michael Vogel - *Hopper Drivers*

FEED



Performance update: One of the changes was the close of bulk feed operations in Hanska. The closure had the ripple effect of shifting all cattle feed production to Courtland and all poultry production to Mankato. For the first five months of the year we have run 67,500 tons through the mills in Courtland and Mankato! This total includes 1.39 million bushels of local corn fed to area livestock.

John Schmidt Hats off to our production and delivery teams and thank you for your confidence and patronage! We are exploring an update to our roller mill in Courtland to relieve a bottleneck in production.

New employees: Since the August 1st we have added new employees to our production and delivery services in both Courtland and Mankato, Cindy Hering, Tim Schmuck, Jared White, Robert Lewis, Loren Bruns, Jake Blake, Chad Friedrich, Howard Tauer.

Policies (feed orders, credit): Timely orders are essential to an efficient feed mill. For your convenience, we offer orders by phone (800-216-0742), fax (507-345-1990), email and text.

Please look for confirmation to avoid communication errors. Early orders help with maximizing efficiency of deliveries and planning proper sequencing of orders for quality control. We ask that all orders be placed at least 24 hours before requested delivery time, forty eight hours are preferred. Same day orders are subject to a \$50.00/load late fee.

Feed orders are invoiced bimonthly on the first and fifteenth of each month and are due on the fifteenth and last day of the month. Accounts not compliant will be contacted as a reminder and any account over 60 days is considered delinquent.

John Schmidt - Manager

Brian Storm - *Operations*

Cindy Hering - *Accounting*

Casey Walters, Robert Lewis, Loren Bruns, Dean Stage, Charles Gustafson, Jared White - *Feed Mill Operations*

Michael Wagner, Howard Tauer, Tim Schmuck, Liz Kietzer, Brad Fitzner, Joseph Beranek, Chad Friedrichs, Jacob Blake - *Delivery Trucks*

CONVENIENCE STORE



Spring is just around the corner so get out and enjoy what is left of our mild winter. The Hanska C-store has a whole lot of new things going on. Hunt Bros. pizza is here! We serve up original, thin crust and breakfast varieties along with cheese bread, wings and sauces. Stop by or call in an order for pickup. Our Diamond Rewards program is changing a little bit in the coming months, same great program but with some additional monthly specials for cardholders. Be sure to stop by and sign up today. While you are there greet four new employees...Karen Cordes, Amy Drexler and Blake Fortwengler from Hanska and Leslie Wiltscheck from Sigel Township. They are a great addition to our current staff of Connie Landkammer, Myla Turbes and Christine Andert!

Jeanne Willis - C-Store Manager
(507) 439-6019

Jeanne Willis

Farmers Co-op of Hanska
103 E. 1st St.
Hanska, MN 56041

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Permit No. 609

Career Opportunities:

We are constantly looking for hardworking individuals with the right attitude. Currently we have the following positions open; feed Sales person, feed mill operator, and agronomy custom applicator, please see our website www.hanskaco.com for details about these positions.

Used Equipment For Sale:

TAKING BIDS ON EXCESS EQUIPMENT FOR SALE!

Contact: Wayne Gordon - Interim GC - Hanska office
(800) 382-2667

2011 - 16' Enclosed Trailer – 3dr-

JD 4010 Diesel tractor with 148 loader

1993 Chev -1T-flat bed-4x4 – auto – cushion hitch

1997 Ford -1T-pickup-4x4-auto-cushion hitch

V Plow – skid loader mount

3pt- 8'- snow blower double auger

1996 Plymouth Breeze – 4dr-auto

Portable Bean Screener

10 Bin Cement Forms -18"

Sakate Separator

2001 KW Straight Truck with 6 axles (with or without
20' feed box)

2015 Coates Tire Balancer Model 1000 – solid state

CREDIT POLICY

The Board of Directors of the Farmers Cooperative of Hanska, has approved the following credit policy:

1. Convenience credit may be available for sales to customers with pre-approved credit. All sales are cash on delivery.
2. All customers requesting credit must complete a credit application that will be subject to approval by two members of the management credit committee.
3. The Farmers Coop of Hanska reserves the right to limit or reject any credit request made by a customer or approved for a customer.
4. Credit privileges are not available until a credit application has been approved.
5. Customers who have made arrangement for credit and are eligible to maintain an open account with the Farmer Cooperative of Hanska will be billed on the 1st day of the month following purchase/delivery, unless the sale/delivery was made on deferred terms.
6. After billing by the Farmers Coop of Hanska, all open accounts are due and payable by the 25th of the month. Any open account not paid by the 25th of the month will be assessed an additional 1 ½ % (18% APR) finance charge per month on the unpaid balance.
7. Any open account not paid in full within 30 days after due (25th of the month following billing), shall be considered delinquent.
8. No credit will be extended to any customer who has a delinquent account, unless an Account Payment Agreement has been entered into with the Farmers Coop of Hanska.
9. Please check with each department of the Farmers Coop of Hanska, as they may have additional or specific terms and/or discounts available.

The Farmers Coop of Hanska reserves the right to exercise any legal remedy available to it, to collect any account once it becomes delinquent