

The Farmers Coop of Hanska

E-Newsletter
August 2017

1929-2017
88 Years!



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At the time of this writing it appears we are one good rain away from a very nice crop. August gets to be a pretty busy time of the year for us at the coop. Our fiscal year ended on July 31st so a detailed inventory is taken and confirmed by the auditing firm your board of directors hired. Aphid spraying will soon be here. Energy division is busy finishing up propane summer fills and starting to place more tanks. The grain division is preparing to receive a lot of grain for the remainder of the summer and next harvest. The Feed division does what they do every day churning out large volumes of feed for our local producers.

Last year, our focus was to clean out as many bin bottoms as we could in preparation for harvest. With the repair of the Burdick roof we were able to use that entire facility and in the end we did not have to put any grain on the ground. This year appears to be different and we are getting prepared. The bin bottoms that didn't get cleaned out last year are being done this year and kudos to Tom, Merlin, John, Shaun and Micah who have been working in some very difficult circumstances but made great progress. With the grain inventories we have on hand I would not be surprised to see some big grain piles around the country including here at FCH. Please stay in touch with our grain team for the latest options for marketing your grain or information about the storage programs we will be offering.

We ended our 2017 fiscal year on July 31st and barring any great surprises it appears we will have our best year of the last three so we are moving in the right direction. The feed division performance remains on target as the efficiencies of greater volumes and more modern facilities have helped drive down costs. Energy and Agronomy had better years with propane sales rising significantly and seed sales have shown impressive volume growth. Grain has continued to be a business where it is tough to find margins and substantial marketing opportunities. The Pacific Northwest rail market has not been competitive with the local ethanol market making it difficult for local elevators to add value. Our origination team has done a great job presenting the opportunities of our OTC accumulator and conditional bonus contracts. Many local grain producers have given these contracts the opportunity to add a little more value to their grain. Scott put on three informative marketing meetings last month. Thanks to all of you who attended and we hope you find value in attending.

Thank you to all you members who have given us a chance to serve you with inputs or grain marketing services this past year. We fully expect that we must earn your trust in order to build long term relationships. I'd also like to thank our employees who slug it out every day to provide you with the service level you expect. Please feel free to stop by any of our locations and get to know our team and learn more about our programs and services.

BUY YOUR PROPANE NOW FOR NEXT SEASON



During the heat of summer and the height of growing season, your propane supply might be the last thing on your mind. However, recent market indicators show propane supplies are below average, which could limit availability during high-demand periods, such as harvest. Now's the time to assess your upcoming fuel needs.

Current 2017 propane inventories are below the Five-year average.

After winter, propane suppliers are generally able to rebuild their inventories throughout the spring and summer. However, 2017 saw an increased export demand. Because of this, propane inventories have not been restored at their typical rate. The current supply is running low based on predicted needs for the fall and winter months. As inventories lag later in the year, market experts predict the price of propane could see an increase.

However, there is plenty you can do now to prepare for the fall and help mitigate the effect of any further market shortages:

What to do if you're a homeowner

If you're a rural homeowner or otherwise rely on propane to heat your home in the winter, now is a great time to fill up your home's propane tank. A summer fill ensures you'll have what you need when cold weather and higher demand come, no matter how the markets shift.

What to do if you're a producer

Propane supply for an operation is a little more complicated than for a residential home. Typically, farmers assess their propane needs later in the season based on their predicted crop yield and drying capacity. But with propane inventories where they are, we suggest farmers do the math and purchase their fuel earlier than usual, in case supplies become strained or prices increase during harvest.

A summer fill is a great course of action, but be sure to work with your propane dealer to discuss what you'll need for the rest of the season. This helps dealers work directly with their suppliers to maintain consistency for the rest of the year.

Lower-than-expected propane inventory just means more careful planning is in order. Now is the time to take control of your future to ensure your home or operation has the fuel it needs to get through the rest of the year. Contact us at FCH for more supply planning information that best suits your needs today.



Where has this summer gone? I look at the calendar and we are already into August, less than two months before we start harvest!!

A few updates on what is going on in the agronomy department. We have decided to make a switch in our phosphorous product. We are moving from 18-46-0 DAP to 11-52-0 MAP. The biggest reason for this change is that with the small price difference between the 2 products, you essentially get more bang for your buck by using MAP. We still have a small quantity of DAP leftover from Spring that we will be offering at a discounted price to get rid of the remaining inventory.

Nitrogen prices have stabilized in the past 2 months. Both the NH₃ and Urea markets are at lows that we haven't seen for at least 10-12 years. Fall will be an excellent time to apply NH₃ with the pricing that is available. We do NOT recommend Fall Urea as there are concerns about applications put on the ground and not being worked into the soil. No matter which Nitrogen source you use, we recommend using a nitrification inhibitor to reduce the risk of leaching. N-Serve for NH₃ and Instinct for Urea.

Potash looks to be approximately \$20-25/ton more than last fall. Phosphorous should be pretty much stable, and Nitrogen will be cheaper than last fall.

If you are interested in doing some prepaying, we will offer some attractive discounts to lock product in early. Pricing will be available by the middle of this Month.



Remember the day when the telephone was our only means of communication? Today we are able to communicate by many different ways. We have advanced to a communication world where we are able to receive our emails and text message by phone to keep us informed. At Farmers Coop of Hanska we are also offering different ways to keep you informed on what is going on in the grain markets. We currently send out 4 texts a day of grain bids, and various emails with grain bids and market information. We may use it



to keep members informed about elevator hours this harvest season. Set up is easy, so if you are interested in getting signed up today please give either Scott or Lexi a call @ 507-345-4103 or Karen @ 507-439-6003.

I would like to thank those of you who were able to attend the round of marketing meetings we had on July 19th. We talked about Conditional Bonus and Accumulators contracts that day that add some value to your grain. Even though the market has been trading lower here lately we still have these contracts available for you. If you are interested please contact Scott, Lexi or Karen for more information.

As we wind down our fiscal year at Farmers Coop of Hanska, I would like to THANK all of you for your business and support.



Family Night at the Farm – FCH Employees Ryan Gulden, Russ Hoffman, John Schmidt and Jerry Svoboda along with many other Hub Club members helped out at the Steve and Kerry Hoffman farm where nearly 800 attendees came to learn about where their food comes from. Russ brought in the Hagie Sprayer owned by FCH and manned a booth answering questions regarding crop production.





Summer feed housekeeping.

Clean feed and water systems are important year round, but summertime is exceptionally important. Warmer temperatures and high humidity can quickly lead to spoiled feed accumulating in feeders and feed bins. Stored feed grains should be monitored for quality. Last year's crop growing conditions left stored grains vulnerable to mold growth and any grains stored at marginal moisture content could see deterioration during warm weather. Corners, boots and seams are particularly troublesome. Bacteria buildup in waterlines and waterers will decrease water consumption and impair water flow. Water systems can be cleaned and maintained with acids or bleach to improve water quality. Neglected water nipples and other

moving parts are susceptible to plugging after treatment so plan ahead. Attention to feed and water systems can have great returns in terms of feed consumption.

We are pleased to introduce Steve Enderle as part of our feed team. Steve has been a part of the livestock community in Southern Minnesota for over twenty five years and is an excellent technical resource, particularly in swine production. In addition to livestock consulting, Steve brings a wealth of experience in facilitating networks between livestock owners and contract growers and working through new feedlot construction projects. Steve can be reached directly at (507) 779-4039 or through our feed office at (507) 345-4103.

A special thanks to patrons for placing orders early. Orders received before noon at least a day ahead are a tremendous help for planning ingredient needs, feed delivery scheduling and personnel management. Fridays continue to be the busiest, so a little flexibility in delivery date for multiple loads is greatly appreciated.

Congratulations to Steve Hoffman and family on a great "Family Night on the Farm"! This event reaches out to connect farm and city families and brings our urban friends out to see and feel a working farm. I really enjoyed teaching the guests about the feeding programs used for dairy cattle to keep them healthy and producing milk. Thanks to the New Ulm Hub Club and the Steve Hoffman family for the opportunity to help advocate for agriculture!



Customer Appreciation Picnic!

Hopefully you all received the postcards but if you didn't our annual customer appreciation picnic will be held at German Park in New Ulm on Tuesday August 8th. Food will be served from 5:30-7:30 PM, Menu will include, Pork Chops, Sweet Corn, Cookies, Potato Salad, and 1919 Root Beer, along with other refreshments!

Career Opportunities

We are currently looking for a custom applicator and have seasonal positions in grain and agronomy divisions available as well. We are also looking for a full time feed delivery driver to work out of our Courtland Mill and a driver to work out of our Mankato Mill. We are also looking for seasonal employees to help out during the fall around the elevators and agronomy plant. If you are interested in these positions or know someone who is please call Brandon Mohr at 507-439-6014

