

The Farmers Coop of Hanska

E-Newsletter

September 2018

1929-2018

89 Years!



FCH Board Members:

Brad Portner
-President

Randy Aschenbrenner
-Vice President

Mark Fischer
-Secretary/Treasurer

Gerald Grathwohl
-Director

Richard Wurtzberger
-Director

Tim Miller
-Director

Matt Suess
-Director



After a July like weekend it turned into fall and harvest season is upon us. Our team is working hard to be ready for you when it's time to go. I'll try to update you about what is going on around your coop.

Agronomy Division – The guys have been working all summer to get the equipment ready. They upsized a few of our double NH3 nurse tanks so we can cover more acres per trailer load. We are very happy with the application team we have assembled. Jake Blake and Leon Yarger have the most experience and Andrew Havemeier has been doing some dry spreading also. We feel very confident that our team will do a quality job in the time frame you need. We do have an opening for an agronomist salesperson so in the meantime be sure to give Bill Meyer a call to discuss your fall needs. He can be reached at 507-439-6244.

Gold Country Seed – We were very disappointed in the way Gold Country Seed management handled our dealership. We were one of their fastest growing dealers and felt we had a great relationship. Their decision to pull our dealership was due to a Monsanto policy that there could be no dual dealerships such as one company handling both Dekalb and Gold Country Seeds. Because we were working on a feasibility study with a company who was a Dekalb dealer they pre-maturely assumed the unification was going to happen. Communication with them became very difficult and they would not reverse their decision. So currently, we are moving forward with Croplan as our Monsanto genetics offering along with Federal and Stine Seeds. We will explore other opportunities and keep you informed. Please stop in and see Bill when you are ready to discuss your seed needs and he will make sure you are well taken care of.

Grain Division – the new bin in Hanska is almost up. The cranes and electrician will be here soon and we will be ready to go. The bin jacking crews did get delayed in getting here due to the high winds last week and some rain events where they were working. We are in good shape for room and ready to take your grain. The Highway 14 project does present some challenges in getting to our Burdick elevator in New Ulm. The timeline for the Front street bridge states it should be done in October 2018. We are hopeful that it will be done early instead of late but you never know with construction projects. Valley Street should be wide open this year and there isn't a stop sign until you turn towards the elevator. Front Street is also wide open from the North so it is a nice way to get to Burdick also.

Scott Ziegler has been leading the grain division for the past 3 years and has done a nice job for us. He introduced several OTC type grain contracts and was instrumental in cleaning up our facilities. Most of all he forged new relationships with many customers and we will miss his passion and leadership. He has accepted a position with Poet Energy at the Glenville, MN plant. We wish Scott and his family well in his new position.

Jim Johnson has joined your coop as Grain Division Manager and will assume the role on Monday, September 24th. Please refer to a separate article introducing Jim but he may be familiar to some of you. He has had extensive experience in the grain business and we welcome him to our cooperative. Jim will spend time in both the Mankato and Hanska offices.

Feed Division – Your feed division is constantly looking for new opportunities and spends a lot of time connecting growers with owners to enhance both of their businesses. We encourage anyone who has facilities and those who need facilities to contact John Schmidt, Brian Storm or Steve Enderle to discuss the needs and they will go to work in finding ways to fill them. In a few days you should see a couple shiny new trucks pulling our feed trailers down the road. FCH put 2 new feed trucks and 1 new grain truck in the fleet this month.

Energy Division – Dallas has been out putting in numerous new propane tanks as our business continues to grow. Thanks to all of you who have put your trust in our energy department. Time will tell if there will be much of a corn drying season as last week's heat may have lowered the demand somewhat. The good news is we can take care of more customers so if you have corn dryers or hog barns that need propane please consider FCH as a supplier. Brian will be busy filling diesel barrels with the B5 blend starting October 1st so please call your orders in early and allow some extra time for him to get to you.

Financials – The fiscal year-end audit isn't quite done yet but indications are that the wet spring agronomy season didn't do us any favors. Volumes in chemical and fertilizer sales were affected by the producer decisions dealing with the wet weather. There was a lot of product that was not put on this year. Up until spring we felt really good about the prospects of a profitable year. We improved upon last year's numbers but by how much is yet to be determined. Mark your calendars for the evening December 13th when the annual meeting will be held at Turner Hall.

Board Election: We have 2 seats up for election this year. The Northeast district now held by Gerald Grathwhol and an At Large position held by Richard Wurtzburger. Richard has chosen not to run again. The nominating committee of Rich Greibel, Dave Olson, Fred Braulick, Bill Berg, Gerald Fitzner and Steve Hoffman are actively recruiting candidates so if you are interested give one of these guys a call.

Merger Feasibility Progress: The board of directors of FCH and Farmward Cooperative have held several meetings this summer discussing the feasibility of unifying the two cooperatives. The two boards do not take an important decision like this lightly. So, discussions will continue and decisions about taking further steps will be determined after harvest.

In closing I'd like to thank our loyal customers for your support this past year. Every year is challenge and this one was no exception. I feel like we keep improving every year. We have a really great team assembled right now to serve your needs and my hope is that you will give them a chance to show you. We want more business and invite you to check us out! Have a very safe and prosperous harvest season!



B5 diesel fills will start October 1st, make sure you manage your fuel supplies as needed. On our propane side, Dallas is out setting new tanks for your fall needs. Make sure to call ahead for both Propane and refine fuel needs. We have a lot more customers than last year, so to get the delivery's done, we need your help on watching inventory on your tanks! Thanks again for your continued business at the Farmers Co-op of Hanska!

Brian Stueber 507-276-1007

Jen Brandel -507-439-6015

Dallas Larson -507-240-2300



Fall is right around the corner, children are back in school and farming communities are gearing up for harvest. Believe it or not when I say Fall is my favorite time of year, and also our busiest at the C-store. We do our best to please our customers in a quick and courteous manner which can be a little difficult at times. If you need a large food order or a special request please call ahead to help us better serve you. If you are a Diamond Rewards member and have accumulated a large amount of points, this would be a great time to cash in on the savings and feed those hungry hired hands! Specials for September are: all size coffee cappuccino or hot choc \$.99, and Pizza hunks for 1.99. October specials are party size wingbites \$2.00 off or whole pizzas \$8.99. Stop by today and sign up for our Diamond Rewards card, it's free and you will be glad you did! From all of us at the Hanska C-store we wish you a safe harvest season!



Please welcome new employees Jeff Dahn and Mike Unzeitig. Jeff delivers bulk feed out of Mankato and has years of driving experience as an owner/operator. Mike delivers bulk feed out of Courtland, has over 15 years of CDL driving experience and resides in rural Hanska.

We are excited to soon have our two new feed trucks on the road. Thank you to our board of directors and patrons for giving us the tools to continue to deliver quality feed! The recent outbreak of African Swine Fever (ASF) in China has set off a flurry of questions concerning the spread of this disease in swine. ASF outbreaks have occurred in Eastern and Western Europe and South America. This is the first time ASF has been reported in

Asia. ASF is spread by direct contact with sick pigs or pig secretions and ticks. Indirect infections can occur through contact with contaminated vehicles, premises, equipment or other objects. ASF does not infect humans. While feed and feed ingredients are not the most likely sources of disease transmission, they are a documented vector for disease (Kansas State University). If ingredients are sourced from countries with foreign animal disease (FAD) it is important to know which ingredients are considered at risk and what mitigation procedures are used to reduce that risk.

Watch corn moisture levels this fall. Cool and wet weather contribute to mold growth in standing and stored grain, increasing the potential of mycotoxin contamination. Moisture levels less than 15% help prevent mold growth and keep mycotoxin levels from increasing. Once mycotoxins are in the stored grain, levels will not decrease. In years of good drying weather and low prices there may be a temptation to accept higher moisture levels rather than go through the expense of drying to appropriate levels. It is important to realize that this may place the corn quality at risk.



The Farmers Coop of Hanska is pleased to announce that Jim Johnson has accepted the position of Grain Division Manager. Jim has extensive experience in the grain business having served as the General Manager of Farmers Elevator of Traverse, Grain Division Manager at UFC and Grain Merchandiser at Crystal Valley Coop. Jim is married with seven children and 11 grandchildren. Jim will formally assume his duties on September 24th and is looking forward to be of service to our members. Please help us welcome Jim to the team!



I read an article the other day about Dicamba and the issues from this past growing season. Nationwide there are approximately 1,200 injury related cases this year compared to 2,700 last year. A lot of this can be attributed to the fact of there being many more acres of dicamba resistant soybeans and cotton being planted this year. Training over the winter months also helped reduce problems this year.

There are still 1.1 million acres that reported injury this year though, and one area that drew a lot of attention was Arkansas. Even with their April 16 in-crop cut off date, there were many injury reports well after that date. Here in Minnesota, there were very few complaints. One of the biggest reasons was the weather and the inability to actually get out and spray because of all the rain throughout June. The state did receive a fair amount of complaints about applications after June 20th, and that is troubling because that will just lead to more and stricter regulations.

Renewal date for dicamba is November 9th, so we will see then what the verdict is. I believe that we will have this technology moving ahead, but with even harder restrictions.

Fall fertilizer pricing is ready and out. I have put together some pretty attractive options for prepaying early, so if you are looking to lock in some product, give me a call and we can get together and get things put together.

Fertilizer prices are up from last Fall. The biggest jump is in the nitrogen market. They have been going up slowly but steadily since spring and hopefully will be leveling off here pretty soon. Whether we will see some price relief is hard to tell right now. I haven't been real encouraged about what the markets are doing. The US is at a discount to the world markets, and that is not a good sign for any possible relief anytime soon.

Have a safe Fall harvest season.

**2018 FARMERS COOP OF HANSKA HARVEST POLICIES (Effective September 1, 2018)
ALL PROGRAMS AND POLICIES ARE SUBJECT TO CHANGE WITHOUT NOTICE.**

No early delivery of grain contracts for November or later will be accepted. Early deliveries of contracted grain will be priced out on the day of delivery and the original contract will remain in place.

Grain Application at the scale: Accurate grain accounting requires that the disposition of the grain be entered correctly, **at the scale**, when the grain is delivered. **All drivers delivering grain will need to know the following information: Grain owner(s), Grain Share Splits, Grain disposition (Cash, Warehouse Storage, Feed Bank, Price Later). Once a contract is full the balance will be placed on open storage unless told different at the time of unloading .**

Deferred Payment Contracts will be available for both corn and soybeans. **Grain committed to deferred payment cannot be changed. Verbal deferred payment instructions are also irrevocable.**

Grain will be priced based on its actual delivery point on the date of sale. Grain payments will be issued only upon request during harvest. Please make sure to let us know if you want payment!!!

On Farm pick-up will be available on corn and soybeans on a first come-first served basis. Contact the Mankato and Hanska office for additional information. We do not haul direct-delivered grain during harvest.

Mankato Feed mill will not accept any corn over 17% .

CORN:

Grain Grade and Moisture Standards

Farmers Coop of Hanska corn bids are based on # 2 yellow corn grade factors and settled at market discounts on the date of sale.

Harvest Moisture Discounts: 1.4% shrink per point and \$.0225 per bushel for each ½ point of moisture removed.

Test Weight Discounts: \$.02 per point below 54.0

F.M. Discount: \$.03 per point from 3 to 4, \$.04 per point from 4 to 5, and \$.06 per point for 7+.

Damage Discount: \$.02 per point above 5.

Cash, Contract, Feed Bank and Price Later corn will be shrunk to 15.0%

Storage, Warehouse Receipt will be shrunk to 14.0%.

Feed Bank Program

The first 60 days of feed bank stored grain will be free. If feed bank grain is stored beyond 60 days, storage charges will be invoiced at \$.05 per bushel per month based on the month end balance. Feed bank grain not processed for feed will be subject to regular storage charges and a **\$.25 per bushel penalty**.

STORAGE

No minimum charge! The storage rate will be \$.05 per bushel per month with charges calculated on a daily basis. This will be on a first come-first served basis. Storage space will depend on pre-harvest inventory, car supply, crop size, and soybean purchases during harvest. **Grain put under loan must prepay the storage for the length of the loan and unused storage payment will be refunded the day the grain is sold.**

2018 CORN Price Later Program:

The service fee will be \$.05 per bushel per month with a charges calculated daily, Price Later grain must be priced August 30, 2019. Grain not priced by that date will be priced automatically and without notice at noon on Tuesday September 3rd, 2019. **A REMINDER TO PRODUCERS ALL GRAIN PUT ON PRICE LATER IS NOT ELIGIBLE FOR CCC LOAN OR LDP PROGRAMS. All grain that is sold out of Price Later will be sold on the spot cash market only of the location it was hauled into!**

SOYBEANS: Farmers Coop of Hanska soybean bids are based on # 1 Yellow Soybean grade factors and settled at market discounts on the date of sale.

Harvest Moisture Discounts: 1.25% of contract price per half point starting at 13.1%

Test Weight Discount: \$.02 per point below 54.0

F.M. 1% shrink per point over 1%

Damage: \$.02 per point above 2%, \$.04 per point above 20.

Green Beans are considered damage.

STORAGE

No minimum charge! The storage rate will be \$.05 per bushel per month with charges calculated on a daily basis. This will be on a first come-first served basis. Storage space will depend on pre-harvest inventory, car supply, crop size, and soybean purchases during harvest. **Grain put under loan must prepay the storage for the length of the loan and unused storage payment will be refunded the day the grain is sold.**

There will be no Price Later for beans since the storage rate and service fee are the same. This will help us to keep this easier at the scale.

HTA FEES:

2018 crop year Corn \$.03/ Beans \$.03

2019 crop year Corn \$.06/ Beans \$.10

Rolling Fee \$.02 per bushel

HCP SWAP

Deliver corn up to 10 days prior to commitment period to any FCH elevator.

Service Fee of \$.06/bu. FCH must be notified 2 months prior to delivery or additional charges will apply. Does not include load out fee or storage.

Must be delivered prior to delivery period to guarantee delivery.

Corn bought for HCP Swap will be charged \$.20/bu over New Ulm bid.

