

HANLEY FALLS • COTTONWOOD

MONTEVIDEO



**Farmers  
Cooperative  
Elevator Co.**

MINNESOTA FALLS

ECHO • TAUNTON • MINNEOTA

## FARMERS COOPERATIVE ELEVATOR CO.

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SEPTEMBER 2020

From the manager...

## We are ready for a Successful Harvest

I read a news article that talked about the high number of stormy weather events that Minnesota had in 2020 and our territory has had more than our share of them. We will all rest easier when the 2020 crop is in the bins and under wraps. Like we've



By  
**Scott Dubbelde**  
*General  
Manager*

said for years, it doesn't matter what the price is if there is nothing to sell. FCE is ready for Harvest! Ben has been strategizing for quite some time now with our Location Managers planning to take good care of you and together we will succeed. Let's make sure that we all get through Harvest safely.

I'm told that the portable cement plant south of the Hanley Falls Terminal will be gone by the end of September. For most, if not all, of October the contractors will be adding shoulders to the newly paved section of the Highway 23 project. I was also reassured that the local grain traffic will be

able to use the highway for Harvest. I think that the construction crews have been annoyed by non-locals driving right past the "Road Closed" signs due to their navigation app. We're planning that grain trucks heading for our Hanley Falls or Cottonwood Elevators will be just fine. Please don't drive too fast when near the roadwork crews.

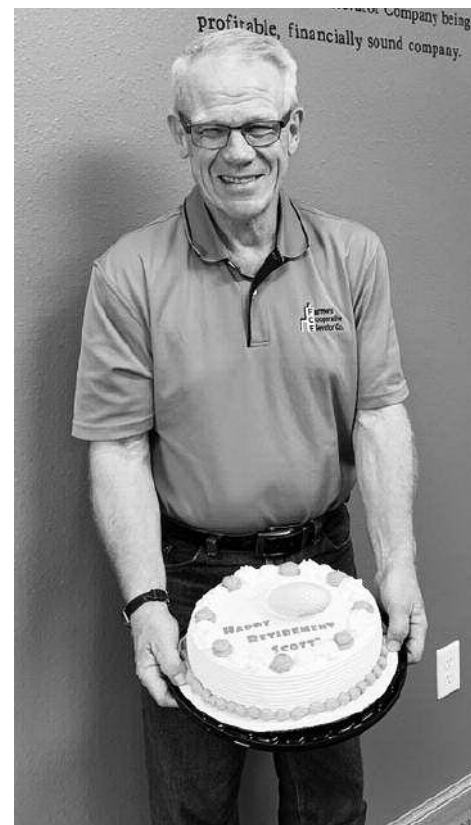
Our Harvest Policies and Settlement Schedule are included in this newsletter issue. All discounts and charges remain the same as they have been throughout this year. Feel free to call us if you have any questions.

Scott Beukelman and Mike Busack are no longer working at FCE. Scott retired after a glittering career in the insurance and cooperative businesses. We wish Mike the best of luck in his future endeavors.

Please take care of Yourself and your Family by practicing good risk management with respect to the Covid-19 virus. And please also help protect our FCE Employee Team and their Families. We want everyone to be able to work every day during Harvest. This is crucial and vital to all of us to ensure a successful Harvest Season. Please do your part!

I have received a number of positive comments after you received our June newsletter issue. Several of you appreciated FCE'S Scholarship Program and the recipient photos with their Families. The FCE Years of Service Award Winners are also appreciated. The photos and print were the next best thing to recognition at the Annual Meeting. Hopefully we can safely have our 2021 Annual Meeting next

Spring and get back to more normal human interactions. We will all be happier when we can be more social. We'll get there. This is America. We don't give up. We will persevere and get through this. Thanks for feeding the World and God Bless America!



**Scott Beukelman**

## Looking forward as the new feedmill manager

On June 15th of 2020 I accepted the position as manager of the feedmill in Cottonwood, MN. My name is Zach Giese and I am very excited to be working with and being a part of the FCE team. A little about myself and my background, I grew up on a one thousand head nursery near Ortonville, MN where I learned the ins and outs of running a small family farm. From there, I went on to start my career in the feed business. I came into this position with nine years of feed experience and look forward to expanding on my current knowledge at the feedmill.

I started my career at Westway Feed Products in Mapleton, ND on the production line manufac-

turing lic tubs and packaging dried molasses. Through my career as an operator I was promoted to a line supervisor where I oversaw many individuals and job duties. Two years ago I was promoted to a management position for Westway in Michigan distributing liquid feed to local dairy farmers.

Looking to get back closer to my family and community, it was very easy to accept the position here in Cottonwood. I am looking forward to be in the new role of feedmill manager, working with a hardworking and experienced team. I would like to extend out a thank you to all of FCE and our customers for the warm welcome I have

By  
**Zach Giese**  
*Feedmill  
Manager*



received these past few months and I look forward to my future here at FCE.

# Farmers Co-op 2020-2021 Grain Policies

## SOYBEANS

**MOISTURE DISCOUNT:** 1 percent for each 1/2 point of moisture over 13 percent up to 15 percent; 2 percent for each 1/2 point of moisture over 15 percent and up.

**TEST WEIGHT:** 1 cent per each 1 pound under 54 pounds.

DAMAGE Discount	HEAT Per Bu.	TOTAL Per Bu.
.3 to .5%	2 cents	
.6 to 1.0%	4 cents	
1.1 to 1.5%	6 cents	
1.6 to 2.0%	8 cents	
2.1 to 2.5%	10 cents	3 cents
2.6 to 3.0%	12 cents	4 cents
3.1 to 3.5%	14 cents	5 cents
3.6 to 4.0%	16 cents	6 cents
4.1 to 4.5%	18 cents	7 cents
4.6 to 5.0%	20 cents	8 cents
5.1 to 5.5%	22 cents	9 cents
5.6 to 6.0%	24 cents	11 cents
6.1 to 6.5%	26 cents	13 cents
6.6 to 7.0%	28 cents	15 cents
7.1 to 7.5%	30 cents	17 cents
7.6 to 8.0%	32 cents	19 cents

**FM:** All FM over 1 percent will be considered shrink.

**MUSTY:** 10 cents per bushel discount.

**SOUR:** 10 cents per bushel discount.

**MUSTY/SOUR:** 20 cents per bushel discount.

## CORN

**MOISTURE DISCOUNT:** Shrink is 1.5 percent per point of moisture over 13 percent for storage, 14 percent for Price Later Contracts and Grain Bank and 15 percent for selling.

**DRYING CHARGES:** Drying charges are 2.50

cents per half point from 13 percent for storage, 14 percent for Price Later and Grain Bank and 15 percent for selling.

### TEST WEIGHT:

- \* 53.9 to 52 pounds: 2 cents per pound.
- \* 51.9 to 50 pounds: 3 cents per pound.
- \* 49.9 pounds & below: 5 cents per pound.

### REGULAR DAMAGE:

- \* 2 cents per 1 percent damage over 5 percent.

### HEAT DAMAGE:

- \* 1 cent each 1/10th point.

## FOREIGN MATERIAL:

- \* 3.1 to 4 percent: 3 cents per percent.
- \* 4.1 to 5 percent: 4 cents per percent.
- \* 5.1 percent & more: 5 cents per percent.

**MUSTY:** 10 cents per bushel discount.

**SOUR:** 10 cents per bushel discount.

**MUSTY/SOUR:** 20 cents per bushel discount.

**INFESTED:** 10 cents per bushel discount

## OATS

**MOISTURE DISCOUNT:** 2 cents per 1/2 point 13.5 to 14 percent; 1 cent per 1/10th point 14 to 15 percent. ABOVE 15 PERCENT SUBJECT TO REJECTION.

### TEST WEIGHT:

- \* 2 cents per pound from 37.9 to 34 pounds.
- \* 3 cents per pound from 33.9 to 30 pounds.
- \* 4 cents per pound from 29.9 and less.

## SPRING WHEAT

### SPRING WHEAT

#### MOISTURE DISCOUNT:

1 1/2% for each 1/2 point 13.5-14.9, 2% for each 1/2 point 15 & over.

#### TEST WEIGHT:

3 cents for each pound under 58 pounds down to 56 pounds; 5 cents for each pound under 56 pounds.

#### DAMAGE DISCOUNT:

3 cents each 1% from .9 - 2.0

4 cents each 1% from 2.1 - 5.0

5 cents each 1% 5.1 - 10.0

Protein scales subject to market at time of delivery. Spring Wheat protein basis 14%. Winter Wheat protein basis 12%.

All discounts subject to market changes.

### THESE POLICIES SUBJECT TO CHANGE AS

### MARKET CONDITIONS DICTATE.

ALL DISCOUNTS OR LIMITS SUBJECT TO REVISION.

## 2020-2021 FCE GRAIN SETTLEMENT POLICY

Our Grain delivery settlement date is illustrated on the following chart:

GRAIN DELIVERED	STORAGE STARTS AT 4:30 P.M. ON:
Sept. 1-13	Sept. 18, 2020
Sept. 14-20	Sept. 25, 2020
Sept. 21-27	Oct. 2, 2020
Sept. 28-Oct. 4	Oct. 9, 2020
Oct. 5-11	Oct. 16, 2020
Oct. 12-18	Oct. 23, 2020
Oct. 19-25	Oct. 30, 2020
Oct. 26-Nov. 1	Nov. 6, 2020
Nov. 2-8	Nov. 13, 2020
Nov. 9-15	Nov. 20, 2020
Nov. 16-22	Nov. 27, 2020
Nov. 23-30	Dec. 4, 2020

### Corn:

Storage to 13%  
Delayed Price, Grain Bank to 14%  
Cash, Contract to 15%

### Corn Drying:

2.5 cents each 1/2 point  
Shrink 1.5% each point

### Soybeans:

1% Shrink each 1/2 point  
moisture above 13% up to 15%  
2% Shrink each 1/2 point  
above 15% and up

### Corn

Delayed Price 14%; has a service charge at the rate of 5¢ per bushel per month with no minimum.

Warehouse Receipt 13%; has a storage charge at the rate of 5¢ per bushel per month with no minimum.

### Soybeans, Wheat & Oats

Delayed Price; has a service charge at the rate of 5¢ per bushel per month with no minimum.

Warehouse Receipt; Soybeans, wheat and oats has a storage charge at the rate of 5¢ per bushel per month and a 10¢ per bushel "Document Fee".

All fees are calculated by the day from the date of deposit if not sold by the Delivery Settlement Date.

**Starting again on Dec. 1, 2020** and continuing until August 31, 2021, all open assembling sheets will be stopped at the end of each month. Delayed Pricing contracts and/or Warehouse Receipts will be issued the 15th of the following month for all grain still not sold prior to that day. Please sign and return the contract when it arrives.

If you have any questions, contact any FCE office.

THESE POLICIES SUBJECT TO CHANGE AS MARKET CONDITIONS DICTATE.

ALL DISCOUNTS OR LIMITS SUBJECT TO REVISION.

# Plan ahead

This time of year we move our focus to harvesting and storing a crop. We also become more aware of pricing and the potential effects on our balance sheets and bottom lines. That is simply due to the fact that we know we have a crop and can make a good faith estimate on the size of it. It happens locally and nationally.

Time spent wondering about what might have been is time lost. Look forward and plan. Take that good faith estimate and apply some math and come up with a number that works. Don't forget that we have had a substantial influx of funds from various sources. They were meant to help and heal, not replace good marketing. On farm

income is projected to be up 23% on 2020 versus 2019.

The current rally into harvest is handing us a golden opportunity. An empty bin is not the worst thing to have when the market is calling for your grain and your math from above works. Don't be shy about wanting to sell and take rewards.

Re-ownership is cheap. If you feel the need, call us and we can get you numbers. But for right now, keep the calculator in one hand and the phone in the other. Let the auto steer do the work. And when you are driving down the road or in the field, be safe this harvest season!

By  
**Bill Doyscher**  
*Assistant  
General Manager*



Bill Doyscher  
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# Reward the market

I know I don't need to say this but here I go...the bean market has given us quite a rally. Post September WASDE report, beans jumped up closing in on 10.00 futures. Our high for Nov 20 beans is 10.05 and that was set in 2017. Maybe by the time you're reading this we will have broken through that.

Plain and simple, if you haven't sold beans, or if you are barely sold on beans, sell. The market has gifted us \$1.30+ in the last month! That doesn't include basis improvement, which is historically low for this time of year. I've been hearing a lot of "When is this going to end?" Who knows, but do you really want to be sitting on the wrong side of this when the market goes south? Soybean funds are nearly record long; what's going to happen when they decide to sell? My guess is we'll go off like a sling shot. Other things to watch for, US

Soybean Carryout is 460 mbu for 20/21, getting cut 150 mbu on Report Day. We've had a great amount of soybean export sale announcements in the last month, to the point where a sale is expected every day. Exports should start to dwindle later this winter as South America crop comes to market however there are talks of drier weather so that could be concern as time and their planting season progress.

If you are worried about missing the market on soybeans (either up or down), talk to us about buying options. Short dated calls can be relatively cheap and you are taking some risk off the table.

A lot of speculation circulated around the derecho storm damage. On the WASDE report 4% of total harvested acres were taken out of Iowa corn production, a total of 550,000 acres. People are still speculative of their 191 bpa yield, saying that their

By  
**Laura Ruble**  
*Grain  
Merchant*



drought is much worse than what traders think. NASS is also collecting harvested acres on corn and beans in Iowa for the October Crop Production report so these numbers will likely change again.

The best time of the year is quickly approaching and most of you that I've talked to are itching to get in the field. With that, I hope you all have a safe harvest and as always, call if you have questions.

# From the Seed Department

Well, it feels like fall is in the air as I am writing this article. Leaves are turning colors and apples are ready.

**Croplan** has some new seed **corn** varieties -

2735 SS-VTS 97 day  
4265 VT2 102 day

**Other good performers-**

3499 VT2 94 day  
3575 VT2-SS 95 day  
3795 VT2 97 day  
3899 VT2 98 day  
3909 VT2SS 99 day  
4188 VTSS 101 day  
4444 VT2 104 day  
4488 SS 104 day  
4549 SSVT2 105 day  
4676 SS 106 day

I would like all seed customers to pre-order early so you can get the hybrids ad

the seed size you prefer. There could be shortages due to high winds in Iowa...where some seed production takes place.

**LG Organic Corn** with no treatment

5427 5505  
51C62 5499  
52C42

**Soybeans**

Liberty	Enlist	Xtend
1200	1121E	1400X
1659	1420E	1600X
	1721E	1827X
	1820E	1960X
	2021E	2128X
	2120E	
	2321E	

We have a good supply of soybeans that are **Enlist** and **Extend**. Order early so

By  
**Steve Fry**  
*Seed Team  
Leader*



you get the beans you want for IDC.

**Mustang** numbers and **LG** numbers are available request.

We are still waiting for the approval of Extend Flex...along with many others. If anyone would like to go to the Minnesota and take a look at the Answer Plot, please let me know. Seed guides will be mailed out because of COVID-19.

Thank you and have a safe harvest.



## Bring on harvest

What happened to summer? I can thank covid for a couple things. My honey-do list has gotten much shorter this summer than any other. I hate painting but I learned to love it in 2020! My family and I have never been more creative with our time at home. From canning to finding "special rocks" in the driveway for hours with Lydia, our 3 year old. "May as well, not much else to do" has been a common lyric between my wife and I. So we make lemonade, right?

With harvest 2020 com'n round the bend your coop is ready for what most are considering an average crop. Some of our trade area will be above and some below average. I think the USDA is calling corn 178 and beans 51 in the Sept 11th report. Whatever the crop size is, it is a long ways

from the farm bin today. Within a week or two your coop will have maximum space at all of its facilities. Your coop also has plans in place to truck and pile when and where need be. Assuming an average crop size it feels like your coop will pile both beans and corn with plans to swiftly reclaim piles exposed to the elements. Those piles under a tarp will be marketed for later months in 2021. Your space sensitive locations will be empty and any bushels carried into harvest will be carried where space allows to maximize shipping capacities.

There has been continued interest regarding off the farm trucking. Your coop only has 8 trucks so please call and schedule your needs sooner than later. I am confident in saying truck availability will be sig-

By  
**Ben Hedtke**  
*Grain  
Merchandiser*



nificantly less than last year.

I pray you and your coop has a safe and bountiful harvest. We are all looking forward to seeing 2020 in the rearview mirror. With some effort we won't be making quite so much lemonade in 2021. If you have questions please call.

## Keep your animals eating on time

Everyone knows how schedules can get messed up during the time changes that happen twice a year. Eating, sleeping and going to work on time can take a couple of weeks of adjustment. Animals can also have their schedules disrupted. They are creatures of habit and if they are fed at the same time each day and don't get fed on time, they can go off feed. Here is a great way to keep your animals eating on time by making small adjustments. Three weeks before the time change on Nov. 1st feed your cattle 15 minutes later for one week.

If they are used to eating at 7:00 a.m., feed them at 7:15 for the whole week. The next week feed them 30 minutes later for one week. Instead of feeding them at 7:15, feed them at 7:30 for the whole week. During week three feed them 45 minutes later for one week. When the time change finally rolls around they will be back on schedule eating at 7:00 a.m. In the spring go the opposite way to keep your animals fed on time. Planning ahead and making these small changes can keep animals from going off feed and moving forward.

By  
**Beth Feller**  
*Livestock  
Specialist*



# *Have a safe harvest!*

FARMERS COOPERATIVE - PAGE 4

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Temp-Return Service Requested