

MONTEVIDEO

HANLEY FALLS • COTTONWOOD



ECHO • TAUNTON • MINNEOTA

MINNEOTA FALLS

FARMERS COOPERATIVE ELEVATOR CO.

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JULY 2021

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From The Manager



By
Scott Dubbelde

We had a very nice crowd at our FCE Annual Meeting last month. We'd like to thank the food vendors for their excellent supper, the Yellow Medicine County Soybean Growers for the always popular mini

a few hundred praying for rain together sure couldn't hurt.

Do not underestimate the power of Local Coops and their Patron/Owners working together. Together we can move mountains and ensure that you get the best value that the market place offers. FCE will do our best to serve you and add value to your operation in every moral and ethical way that we can. We have great power cooperatively together. On behalf of the Board and Employee Team, thank you for helping make FCE so successful and above all thank you for raising the food that feeds the world.

donuts, the Minnesota Machinery Museum for letting us hold our shindig there, the FCE Employee Team, and the YME FFA Chapter for staying all night to provide security for all of the belongings that were picked up the next day. It was truly a team effort that made this event successful.

The Echo Project is progressing nicely. We are on budget and are still planning to be ready to fill the bins by the Tuesday after Labor Day. It is really awesome to watch the Echo skyline change this summer.

In 2020 FCE had a local profit of \$878,390. Add to this Regional Dividends of \$1,183,762, PPE money received from the Federal Government of \$687,300, a small gain on the Sale of Assets of \$64,457, which leads us to our Total Income of \$2,813,909. 2020 turned out to be a good financial year for FCE. I also went over a number of facts that pointed out how strong FCE's balance sheet is. This is too much dialogue to include in a newsletter. Feel free to call or stop in if you are interested in this data. You'd need our 2020 Audit in front of you to be able to follow along. Feel free to stop in and pick one up at any FCE Location.

We've been reaping the benefits so far this year by having two shuttle loaders and five truck elevators. FCE can ship massive amounts of grain into numerous markets in a short period of time. Thus far in 2020, our facilities and Employee Team have really shined. We shipped 24 million bushels of grain out in the first 6 months of 2020. Hats off to all FCE Employees that have made this happen!

Congratulations to our FCE Years of Service Award winners and to the FCE Scholarship recipients. Details are found elsewhere in this issue. I must also give a big thank you to Dan Grengs for his 41 years of dedicated service to FCE and our Taunton Area Patron/Owners. We wish Dan the best in his retirement.

We could not pass up the opportunity at the Annual Meeting to pray for rain and weather needed to nourish our crops. It has been mighty hot and dry. We figured that

Scholarship Award Winners

Zachary Hennen and Jodi Buysse, both graduates of
Minneota High School



Pictured with Board President, Mark Vandelanotte

Events

Scott Dubbelde Retirement Party
Friday, September 10th
1:00-4:30pm at the Hanley Falls Seed Shed
Come congratulate Scott on his celebration of 29 years
as FCE General Manager!

FCE Seed Customer Appreciation Supper
Wednesday, September 8th
4:30-7:00pm at the Hanley Falls Seed Shed

Years of Service Awards



Danny Grengs, 41 years of service with FCE. We wish Danny a Happy Retirement!

Danny Grengs, 41 years

5 Year Recognition

Nathan Reiten
Adam Suckow
Mike Kontz
Jeremy Martin

10 Year Recognition

Beth Feller

15 Year Recognition

John Holien

U.S. Demand

Once again, the USDA Report caught us by surprise on June 30th, although this time for the better. When most everyone was expecting a down day, the market flew up to limit on corn and 90 on soybeans. Acreage reports came in lower than the average trade estimate at 92.7 million and 87.5 on corn and soybeans respectively. The markets are back to trading weather and as I discussed at the Annual Meeting, there are many areas getting more rain than Southwest Minnesota. With that being said, every kernel is going to count this year because of how low the stocks are in the US and world. The US has a large amount of corn to ship by the end of August, China alone accounting for 239 million bushels. In order to get to the USDA total estimate, we need to export 63 million/bushels a week. It's a large number but is doable.

What is normally a quiet start to the U.S. marketing year (Sept 1) will likely look different this year. South American crop is an estimated 1 billion bushels less than normal due to a troublesome growing season for Brazil. The uncertainty of their crop has already trickled its way up to the U.S. as we already have 620 million bushels of corn sold for new crop.

Staying Ahead of the Game

The mill has been staying busy with shipments and keeping up-to-date on ingredients at the best price. Customers are seeing the value we can bring to their operations with supplements that are custom made for them and manufactured at our mill or through Big Valley Milling.

In the future there may be a small rise in the cost of feed for a number of reasons. We have seen an increase in vitamin prices which affects all VTMs going into our feed products. Our fuel prices have gone up due to the increase in cost and we have adjusted our fuel surcharges accordingly.

Shortages in ingredients have come up, so we have made a few adjustments in finding similar ingredients to mix in the feed. The mill has noticed longer wait times on getting some products and supplies, but we continue working with our vendors to get items here in a timely manner.

This is good for FCE because it means we'll have a place to go with our corn come fall and through early winter so basis should hold steady as of now.

The FCE Averager contract ended on July 6th and did very well this year: Old Crop corn at \$6.14, New Crop corn at \$4.93 and New Crop soybeans at \$12.57. Those that signed up should have gotten their contracts by now so if you have any questions about that please ask.

Thank you to all who attended the Annual and Marketing Meetings in June! Summer gets busy but we are glad that you make time out of schedule to attend. Enjoy the reset of summer, harvest is just around the corner!

By
**Laura
Ruble**
*Grain
Merchandiser*



To help minimize some expenses for the feed mill we have cut down on other costs such as truck repair. We have installed an overhead door on the heated shop to work on truck maintenance.

We have a great team at FCE, who strives every day to bring you a quality product and excellent service! I would like to end with a big THANK YOU from our team at the feed mill for your patronage.

By
Zach Giese
*Feedmill
Manager*



Essential Workers

A big Thank You to all patrons who joined us at the unique Annual Stockholders Meeting on June 22nd. We hope you enjoyed the meeting, food trucks, mini donuts, root beer, and the camaraderie that we missed so much. I know all of us at FCE look forward to the return to a more typical life and work environment.

FCE continues to have strong financial results. The various teams that work together to make that happen are proud of the success. The FCE team and its patrons working together makes for a very good, viable, and sustainable cooperative that has a great future ahead.

Thank you for being an essential part of the country and industry. Remember that you were essential long before a pandemic determined you were. I encourage all of us as a cooperative to continue to carry on without letting the last year or so change our path. While it is wise to learn from past experiences it is also wise to not let every action

require a reaction. It is said that wisdom is knowing what you know, and knowing what you don't know. There were a lot of things we did not know 18 months ago. There were also many things we knew that could guide us through those unknowns. I believe FCE is stronger and better now because we stuck to the things we knew.

The elevator reconstruction project at Echo looks good.

It is really changing the skyline in town. Keep an eye on our website as Laura updates pictures. The schedule looks good and we plan to be ready at all locations for a great harvest.

By
Bill Doyscher
*Assistant
General Manager*

Bill Doyscher
riskmanager@mvtvwireless.com



Fly Control...or Uncontrolled

We do everything right when it comes to feeding and taking care of our animals to get the best performance we can, and then come the flies! Large fly populations produce high levels of stress with constant irritation and transmit a variety of diseases contributing to additional production, health, and economic losses. Recent data estimates economic losses to the cattle industry alone at \$4.19 billion annually.

There is one very important fact that must be recognized when we discuss flies that affect animals. We are not just talking about one species. There are approximately 16,000 species of flies in the US and over 120,000 species in the world.

Typically, the main breeding area for flies are around bunks and feeders that have spilled feed mixed with manure and moisture. Other areas of concern are corners and edges of fencing, runoff areas where manure and water drain, manure piles, silage pits or silos, feed mixers and underneath augers. Keeping these areas cleaned up and dry prevents flies from breeding in those areas.

Because fly populations are a mix of various lifecycle stages, control methods should be conducted on a regular basis.

This should be done once a week to disrupt the fly's lifecycle and prevent more outbreaks. Chemical application only affects the adult population, so removal of fly breeding areas is key to controlling fly populations

There are many different ways to get rid of flies including traps, fly parasite release programs, fly baits, manure sprays, and feed additives. Use insecticides from different chemical classes when spraying throughout the season. Alternate between pyrethroids and organophosphates to prevent insecticide resistance and minimize control failures.

Having a written fly prevention program is an excellent tool for spraying schedules and routine maintenance of breeding habitats for your operation. Creating a checklist and keeping it with your records is a great idea to help you get started with your fly control program. Left uncontrolled, flies can be a source of significant economic losses on even the best managed operations. Give me a call for more suggestions on fly control.

By
Beth Feller
*Livestock
Specialist*



Hello from the Seed Department

Greetings from the Seed Department!--- Steve Fry

Spring got off to a good start. There were a few problems with Emerge on a limited basis. In June we only received 4/10s of moisture, not much to keep the crops growing. Watch for insect pressure because of the dry weather. If you need to spray, do so with high commodity prices.

Mark your calendars for September 8th. We will have a supper in the seed shed. New seed guides and programs will be given out. Ryan, Jen and Chris will be informing

farmers on what looks good and what doesn't. Supper will be served from 4:30-7:00pm. Croplan, LG, and Mustang representatives will be there also.

Hope to see you all and thank you for your seed business!

By
Steve Fry
*Seed Team
Leader*



Farmers Cooperative Elevator Company

1972 510th Street
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Temp-Return Service Requested

Back to the Future

The pulse of your coop correlates very closely to that of the Ag communities your coop is part of and operates within. Much like yourselves the 2020 marketing year was a struggle due to poor or even no yields, high moisture, and low test weight. In 2020 there were mountains of screenings to be dealt with that were getting larger with each shipment. And we all know what happens to price as supply grows. 2020 was a marketing year that finally provided carries in the futures market yet the crop was not of a quality that could be carried, perplexing isn't it?

Fortunately, your coop was aware of these looming challenges long before the 2019 harvest began. Knowing, or at least expecting these quality and yield issues your coop did what it does best and is designed to do, we shipped grain. We planned for less bushels. We planned for poor quality. We identified where the shortest crops were which in turn identified where your coop had its excess storage space. The locations long space, or short a crop were then charged with carrying what was left of the 2018 crop which was higher in test weight, dry, and storable. This in turn allowed your coop to maximize a market that at times had a 30 cent discount on corn from a #2 to a #3 due to Test weight. Your coop learned a lot in 2020 regarding its capabilities and how to manage through a challenging year. Looking back I won't say we won but we certainly did manage to perform well and come out feeling good about a year we planned to be very challenging.

Your coop is built to handle massive amounts of grain quickly and efficiently. Your coop is well placed with its market access and logistical capabilities. Your coop is flexible in its abilities to arbitrage grain as the market changes as does your coops marketing strategies. Lastly, and most importantly your coop has a team of employees that work hard and take pride in your coops success. Or rather OUR coops success.

Today, at your coop we are heading into what looks to be yet another decent year. All the 2020 grain bunkers were reclaimed and shipped with ease. The use of a second pay loader in Hanley expedited the process of shipping 60 shuttles worth of corn and beans in 9 months.

In conclusion, much like you, our patron/owner your coop is doing what it is designed to do and is doing so very well. I for one can look back on the 2020 marketing year breathe easy and grin with relief. 2020 was not your coops biggest year but it was definitely a tough year championed. Most importantly it is behind us. We are looking forward to 2021, well what is left of it anyway!

Thanks for your patronage and support. And pray for rain!

By
Ben Hedtke
*Grain Department
Manager*



FCE will be closing early on Thursday, September 2nd at 2:30pm for Employee Training.