

Quarter 2 | 2021  
Ag Partners News

# Between the Rows



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# Challenges vs. Opportunities

Perspective is a fickle thing. Similar perspectives can drive thoughtful conversation and agreement, while differing perspectives can often create conflict and division. Each of us can look at a situation or engage in a topic of conversation, then walk away with vastly differing opinions of what transpired. This is due to each of us seeing things from a different vantage point or perspective.

As I reflect on the last four months and the current state of affairs of your cooperative, I find myself trying to change my perspective on difficult situations. We can all benefit when we shift from looking at difficulties as challenges to seeing them as opportunities.

Typically, by this time of year, we would be completing grain shipments in preparation for creating adequate storage capacity for fall harvest. Due, in most part, to logistical issues largely outside of our control, we will continue to execute grain shipments well into late summer to ensure we are prepared to meet your needs this fall. We could see this as a challenge, or we can change perspective and see it as an opportunity to review our facilities and processes to ensure we can meet the needs of our members in the future. Our perspective has the ability to greatly impact our solution in either a negative or positive way.

Another example would be the challenges around market volatility. The grain industry is referring to the last six months as a one in ten-year event, creating a highly irregular inverse market. Fertilizer prices are anticipated to increase by as much as 50% from last year. Such volatile markets can certainly be challenging, or is it possible to change perspectives and see this as an opportunity to again review all our options to ensure we are meeting your needs in the best and most financially beneficial way possible?

The spring planting season always comes with much anticipation and excitement, while at the

same time creating some tension and anxiety related to making decisions on timing, input costs and weather events. All these decisions can create challenges. Research estimates that 80% of decision making is emotional, and only 20% rational. Your cooperative is here to help you take the emotion out of the decision-making process. I would encourage you all to utilize the resources that our respective team members can provide in making marketing and purchasing decisions. I truly believe our team can provide great value to your respective farming operations.

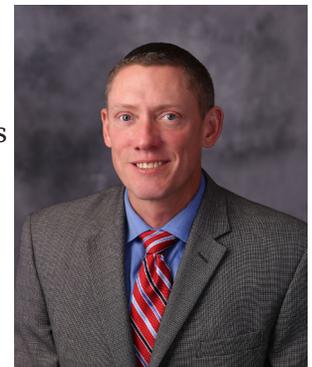
As I look forward to the future of Ag Partners Coop, I see great opportunity. We have renewed our focus on improving and expanding existing relationships, along with forging new ones with key industry grain partners. Strategic plans are being formulated to improve our processes and reinvest in your cooperative to better serve your needs on the farm and in the field. The opportunity to earn your business is not taken for granted and we appreciate your consideration to do so.

With this in mind, please consider attending one of the producer meetings that are currently being held throughout our trade territory. Team members from our grain, agronomy and energy divisions are working collaboratively to provide you with valuable information about the resources and services your cooperative provides. I have enjoyed using these events as an opportunity to meet and visit with some of you in person and look forward to continuing to do so in the near future.

As always, please don't hesitate to contact me with questions, comments or concerns.



Wes Spohr  
President & CEO





Honesty  
Integrity  
Teamwork



Partnering for the Future



[agpartnerscoop.com](http://agpartnerscoop.com)



# ENERGY UPDATE

As most are aware, crude oil and fuel prices have risen in the last month. Crude oil has gone over the \$70/barrel mark and has stabilized itself there, as of this writing. Analysts had called for crude to hit \$70-\$75 this year but have now adjusted that to \$80-\$85. We are starting to see quite an uptick in consumption as the population starts to get out more and things are starting to open back up.

We are still able to contract fuel for you at any time throughout the year. Please give me a call if you have questions about our different contracting options.

June 15th started our summer grease promotion. Ag Partners is having a 10% off of all grease products from June 15th – August 14th. This sale coincides with the Cenex Gift Cards for Grease Sales promotion, which gives customers a \$15 VISA gift card for every (4) 10 packs or for every 35-pound pail of grease you purchase during that period. You can also earn a \$50 VISA gift card from Cenex for every 120-pound keg of grease purchased. Please contact Kyle Hiltibrand, Tyler Hiltibrand, or myself for any questions on these promotions.

I know some have questioned the status of the Gift Cards for Gallons promotion that we have every winter on our bulk oils. Cenex has had a little bit of a backlog getting those processed from the company they work with due to COVID downtime. We have been told that we should have these in our hands by mid-July, and we will get them distributed as soon as we receive them. Our apologies for these delays.

With all this hot weather we have been having and everyone chasing kids and grandkids around to ballgames, the last thing on our minds right now is propane season. HAHA! Well, it is that time of year again. Propane contracts will go out in the first part of July, so please be on the lookout for those in your mailbox. If, by chance, you feel we may have overlooked getting a contract to you, please reach out, and we will surely get one sent to you.

Right now, propane prices are not falling back like we had hoped they would. A lot of propane has been shipped overseas over the past few months, leaving somewhat of a void in the volume of propane supply the United States has going into the heating season. Reports have also surfaced from the Ohio Valley region that there has been quite a bit of corn replanting due to wet conditions. That could have quite a bit of an effect on propane usage, where we could see a spike in prices later in the year. Please be sure to get your contracts completed and returned by August 1, 2021 and let us know if you want to be on the Summer Fill list.

Eric Osterhaus  
VP of Energy



# FUEL YOUR VEHICLE & YOUR SCHOOL



Nemaha Central High School  
Booster Club & NCEMS PTO



CHS Panther Booster Club



Mustang Booster Club



SPPS PTO Booster Club

During 2021, Ag Partners Coop is donating a portion of sales from every gallon sold at our cardtrol locations to area booster clubs.

Donations are as follows:

- Seneca Cardtrol: Nemaha Central Booster Club, NCEMS PTO and the SPPS PTO Booster Clubs in Seneca
- Corning Cardtrol: Panther Booster Club in Centralia
- Axtell Cardtrol: Eagle Booster Club in Axtell
- Denton Cardtrol: Doniphan West Mustang Booster Club in Highland
- Robinson, Willis and Powhattan Cardtrols: Red Hawks Booster Club in Hiawatha.

All gallons sold at our pumps will qualify for the program. If you are an Ag Partners patron interested in having a patron card or would like to become a patron, please call the Main Office at 785-336-6153, choose Option 2, and speak to Lisa or Eric.

All donations will be calculated and distributed quarterly. For the first quarter of the year's sales, Ag Partners presented \$1,292.26 in donations, as shown in the surrounding photos. For the second quarter, which ended at the end of June, we will present \$1,265.19 to these same booster clubs.

We are excited for this new donation program, and look forward to finding different community organizations to contribute to in the future.



Red Hawks Booster Club



Eagle Booster Club



June 15 2021 - August 14 2021

**Call today to receive  
10% off 10 packs,  
35 lb. pails and 120  
lb. kegs of grease.**



Kyle: 785-294-0465 | Tyler: 785-294-0770 | Eric: 785-294-2722



Earn a \$15 VISA gift card for every 4-10 pack or 35# pail, OR a \$50 VISA gift card for every 120# keg of qualifying Cenex grease purchased between June 15, 2021 and August 14, 2021.

# WELCOME TO OUR TEAM

## Rusty Bannister

Energy Delivery Driver  
Hiawatha, KS



## Taylor Gatz

IT Specialist  
Seneca, KS



## Trevor Kuhlmann

Digital Ag Specialist  
Hiawatha, KS



## Brenna Eilert

Marketing & Communications Specialist  
Seneca, KS



## Brad Zerr

Operations Superintendent  
Belvue, KS

## Austin Miller

General Laborer  
Belvue, KS



## Alex Banilla

Service Center Technician  
Seneca, KS



## Johnathan Johnson

Service Center Technician  
Seneca, KS

## Alex Gasper

Grain Originator  
Seneca, KS



HR Director  
Lacey Dalinghaus



Email: [laceyd@agpartnerscoop.com](mailto:laceyd@agpartnerscoop.com)  
Office Phone: (785) 336-6153  
Cell Phone: (785) 294-0397

# 2021 Summer Interns



**Justin Wenger**  
Digital Ag



**Ashley Larkin**  
Grain & Accounting



**Carson Ukele**  
Agronomy

This summer, Ag Partners has welcomed three interns to our team. Justin Wenger is a sophomore at Highland Community College studying Precision Agriculture. Justin enjoys flying drones, fishing, and hanging out with friends. He is interning with our Digital Ag team this summer. Ashley Larkin is studying Accounting at Kansas State University, and is interning in our Grain and Accounting Departments this summer. Ashley enjoys walking and spending time with family and friends. Carson Ukele attends Kansas State University and is a sophomore studying Ag Tech Management. Carson will be working with our Agronomy team this summer and enjoys fishing and working on his family farm.



So far this summer, our interns have attended the Co-ops 101 for Interns hosted by the Kansas Cooperative Council in Manhattan, KS. They also enjoyed a tour of the Bartlett Grain and AGP facilities in Atchison, KS and St. Joseph, MO. "My internship has been a great learning experience for me. I

have enjoyed seeing some of the accounting topics that I have learned during class come into play in the real world," said Ashley Larkin.

## JOIN OUR TEAM

### BENEFITS INCLUDE

- Health Insurance
- Paid Time Off
- Defined Benefit Retirement Plan
- Paid Holidays
- Matching 401(k)
- Life Insurance
- Yearly Uniform Allowance

HIRING NOW

### General Laborer

- Denton, KS
- Powhattan, KS
- Hiawatha, KS
- Fanning, KS
- Robinson, KS
- Axtell, KS
- Vliets, KS

### Custom Applicator

- Fanning, KS

### Location Manager + Sales

- Fanning, KS

### Energy Delivery Driver

- St. Marys, KS

Visit [agpartnerscoop.com/careers](http://agpartnerscoop.com/careers) for a complete job description and application.

EOE

# NATIONAL SAFETY MONTH

June was National Safety Month! This is typically a very busy month for all departments. The Safety Department has been working behind the scenes, auditing fall protection equipment, grain facilities, and developing a business plan to implement in 2-3 years.

Training is the key to a successful safety program. An employee's first day at Ag Partners begins with onboarding paperwork and new-hire training in the classroom. While in the classroom, the phrase "Someone Expects You Home Tonight" is continually used when reviewing hazards in the workplace. Once employees are taught key concepts in that setting, quizzes reinforce the main points. From the classroom, new employees move to their work duty station, where the location manager or specialist reviews the tasks they will be performing. Then, training is done to show employees how grain, fertilizer, chemical, and seed move through a system to avoid costly mistakes or injuries. Managers utilize checklists during the training process as things are covered. This onboarding process will continually improve moving forward.

Curtis Stahel  
Safety Director



## FIREMAN SAFETY

During the month of June, Ag Partners led a tour around the Seneca facilities with the Seneca Fire Department to help prepare them in case of ag-related emergencies. We are thankful to have a great community working together for the safety of one another. In August, we plan to do another Fireman Safety Training at our Hiawatha location.



Seneca, KS | Curtis Stahel & Seneca Fire Department



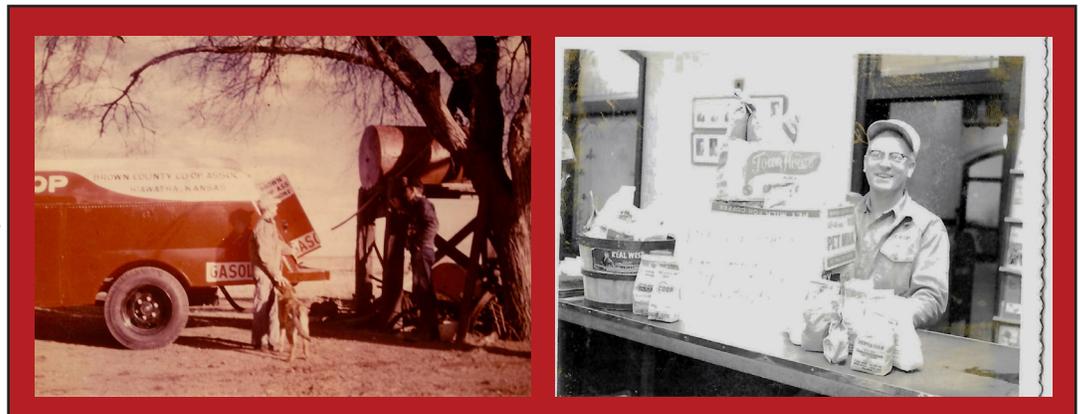
# FLASH FROM THE PAST



Left:  
The main office of the Nemaha County Coop moved from Main Street in Seneca to the newly expanded scale house office (mid-right) next to the elevator and warehouse in 1984.

Right:  
The Centralia Feed Mill circa 1985. Pictured are Jay Ronnebaum and Charlie Savage.

Left:  
First Delivery of gasoline by Brown County Coop was made on March 1, 1956. The delivery was made to Jim and Joe Blecha by Lloyd McIntyre.



Right:  
Soil samples from Brown County Coop Association in Powhattan, KS around 1960.

## PRODUCER MEETINGS



Hiawatha, KS | Energy Team

Every Wednesday throughout June and into the first weeks of July, Ag Partners has been hosting our 2021 Summer Producer Meetings. Team members from our grain, agronomy, and energy divisions have been presenting information about the services we as a cooperative can provide to our valued customers. We have enjoyed interacting with all our customers from multiple locations across our service area. We love using these events to build relationships with our customers and learn how we can better serve them through our cooperative team and resources.



Wamego, KS | Agronomy Team



Corning, KS | Wes Spohr, CEO



Highland, KS | Grain Team

# AGRONOMY UPDATE

## DRONES SWARM FARM FIELDS



Ag Partners is proud to be one of the first businesses to purchase a drone system from Rantizo as an application services contractor. These drones can apply herbicides,

fungicides, insecticides, nutrients, cover crop seeds, and much more. Capable of covering fields that are too wet for ground rigs or too restricted for an accurate traditional aerial application, a fleet of drones can also work together to cover the same field. "This is right in our wheelhouse," said Ethan Noll, Digital Ag Team Lead, "We're trying to use technology to push farmers to the next level of micromanagement down to the acre or even the square foot."

Opportunities for this new drone technology are endless. For questions or more information, contact one of our Digital Ag Specialists.



As planting comes to a close and we put the final touches on herbicide programs, it's time to start preparing for late-season fungicide/nutrient applications. To enhance these applications, our Digital Ag team is working with the latest technology available to offer reliable solutions to help achieve maximum yield potential. During our summer field days, we will be showcasing several of these new technologies with live demonstrations of their capabilities.

As we start looking into inputs for the next growing season, we are currently offering prepay pricing on dry and NH3 fertilizers. With the supply issues we experienced last spring continuing through this summer, we encourage growers to start planning ahead on what your needs will be. Please work with your local Account Manager to cover those input needs, as we are expecting to see pressure on these fertilizer markets well into fall.

As always, Thank You for your business and we look forward to seeing you this summer at our field days!

Ben Zimmerman  
VP of Agronomy



# GRAIN UPDATE

## CONTRACTING OPTIONS

### Forward or Priced Contract:

- Commitment to deliver a set number of bushels, at a set price, during a specific delivery period
- Can be done for any futures month or delivery period
- No bushel minimum

### Basis Contract:

- Locks in the basis and the delivery period
- Risk your basis improving, but capitalizing on futures if they rise.
- No bushel minimum

### Hedge to Arrive/HTA Contract

- Lock in your futures as well as delivery period. HTA's are good to utilize when futures are high and basis is weak.
- Basis and delivery location are open to be set later.
- No bushel minimum

### Freight on Buyer/FOB Contract

- Producers sell stored grain off of the farm and have the buyers haul it, taking freight out of the cash price.
- All the above contracts are eligible for FOB.

**Contact one of our Grain Originators or Accountants with any contracting questions.**



I hope you all weathered the storms over the last week. I have heard of rain totals anywhere from .03" - 14" in our territory. I am wishing you all good luck for the remainder of your growing season.

Give us a call to contract new crop, and to get competitive bids for your remaining bushels left on-farm. We have bids available that are not listed on our website.

We have expanded our grain origination team. In addition to Haley Steinlage, we have hired Alex Gasper and Bradley Goering. They are knowledgeable and ready to serve you. One of them will be available in your area soon!

USDA is coming out with a Quarterly Stocks and Acreage report on Wednesday, June 30th. National corn condition ratings dropped one point this week to 64% good/excellent compared to 73% last year. Soybean condition ratings stayed unchanged at 60% good/excellent compared to 71% last year.



Lucy Heinen  
VP of Grain

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Partnering for the Future

