

“The farmer has to be an optimist or he wouldn’t be a farmer.”

—Will Rogers



CENTRAL REGION COOPERATIVE



NATE GIESEKE
CEO/GENERAL MANAGER

Strategic Decision Time

Many contributors to the agricultural community are comparing our current farming economy to that of the 1980s. The depressed markets, high interest rates and weather stressed producers, banks and the retail agriculture sector then and those same groups are experiencing that same pressure now.

As your member-owned cooperative, we exist to help our patrons navigate these difficult circumstances. Together, we must do what we can to maximize incomes and minimize losses to prevent further deterioration of equity on the farm and throughout our membership. We can help manage costs, assist in thoughtful decision-making processes and help with marketing plans including:

- Finding new ways to minimize risks while potentially generating some profit through grain marketing strategies, contract options and average price contracts
- Working alongside banks to reduce interest rates through a buy-down program or show costs and pricing options
- Maximizing your return per acre through our premier agronomy services including: VRT, mapping, soil sampling and hybrid recommendations
- Providing multiple options on premier products or affordable generic options that fit your profit and loss projections

GIESEKE CONTINUED PAGE 2

INSIDE:

- Planting Need-To-Knows
- CRC Engages with Community
- Employee News
- Credit Policy Changes
- Energy Products Contracting

► **GIESEKE FROM PAGE 1**

- Creating feed budgets, feed supplement options or working together to understand how to produce new value-added options
- Energy marketing options or assisting on purchasing products

I encourage you touch base with our sales staff, employees and management on ways we can partner to improve your cash flows and set your operations up for the best possible outcome this fiscal year.

We are making plans for an Open House celebration this

We are making plans for an Open House celebration this summer at the new fertilizer plant in Fairfax.

summer at the new fertilizer plant in Fairfax. Please watch our company website and local newspapers for event details.

As always, I thank you for your business

and welcome you to stop into my office any time. Have a productive, safe growing season.

NEWS CENTRAL

Brian Meyer (pictured in circle), Agronomy Operations Manager and Bridging Brown County participant, along with Nathan Gieseke, CEO, welcomed the Bridging Brown County group to our Sleepy Eye East facility April 18. Nate spoke of CRC's history, financials, and the functionality of cooperatives.

Brian completed a walking tour with the group through BCA, Chemical Shed, Fertilizer Shed, and Shop.

Bridging Brown County is a leadership program that is designed to help current and emerging leaders understand



the dynamics of the community and the role leadership shares in building healthy communities. Through the networking opportunities of this program, participants gather knowledge of the trends, challenges and issues that face our communities and Brown County. CRC was honored to host Bridging Brown County and enjoyed the experience.





BILL PELZEL
Energy Dept. Manager

What You Need To Know

Tank Maintenance:

We at CRC realize we are depended on to provide quality products, services, recommendations, and problem solving for our diverse patron group. Although we may not immediately have answers to all questions, we certainly have the resources to confidently provide the correct product and serve your farm business needs. As spring work is upon us, I encourage all to change filters on gasoline and diesel storage tanks. Obviously we have a wide range of temperatures in Minnesota which causes condensation to form on your energy storage tanks, when you see a “frost line” on the outside of your storage tank, know the frost line is also on the inside of your tank turning to moisture as the temp increases through the morning. All storage tank filters need to be changed twice each year, and prior to spring and fall work is the best time to do it. When placing an order with the energy department simply request to have your filters changed and our delivery drivers will get it done!

Storage:

Spring and summer are also optimum times to address any storage issues you may have. Whether you are in need of more diesel, propane, or lube oil storage, the staff at CRC can assist you in acquiring the proper tank setup to efficiently conduct your operations as well as avoid irritating and costly runout situations. Let us help you upsize so as to take advantage of seasonal buying opportunities as well avoid running out of fuel during peak operating seasons.

Propane:

Now is the time to take a look at propane budget accounts. New for this year at CRC will be a 12-month budget cycle rather than the 10-month cycle we previously used. As of June 1 we will begin our propane summer fill process. Look for more information on both of these topics when our annual propane summer fill packet arrives in the mail.

Marketing:

On December 1, 2018 the crude oil price was approximately \$53 per barrel. As I write this, crude oil is now \$63 per barrel, translating to a .25 cent per gallon increase in the price of retail diesel fuel. Volatility is the name of the game in the energy complex. I say this to

remind and encourage all producers to be on the lookout for “dips” in the market. Historically and seasonally we find a soft spot in the dead of summer, enabling us to forward contract fall energy product needs at a low end value, lowering inputs along the way. Please contact either CRC energy office, (Buffalo Lake 320-833-3009) (Sleepy Eye 507-794-5831 option #1) to discuss contracting options. Please keep in mind CRC energy also offers wholesale diesel fuel, gasoline, and propane transport services, lube oil products, and propane delivery/service. Call or stop in to discuss any of these services with our professional energy staff.



Communication:

Lastly, I would ask all CRC customers to utilize our fantastic energy admin staff! **As most of you are aware beginning August 1, 2019 it will become illegal for all drivers of not only commercial but passenger vehicles to be operating anything but a hands-free cellular device while on the road.** In the CRC energy department we prefer to take all orders through the two previously mentioned energy office locations. This allows us to operate at peak efficiency as we are able to route drivers per specific CRC trade territory needs. This also ensures we are operating safely and prevents a driver who may be making a delivery from answering a phone call and then losing track of the order request, or worse creating an unsafe atmosphere while delivering energy products.

Thank you for your continued patronage and support of CRC. Have a safe growing season!

Looking Forward

BRAD KOHLS
Merchandising Manager



As we head into the growing season and the planters have been put away, we have a few of the main market factors in play—the Chinese trade deal and hints of delayed planting due to severe wetness and flooding. For the most part, the market has been bearish on prices, which is a contra seasonal move. The funds have been massive sellers in all complexes for quite some time, pushing almost every delivery month in to contract low prices.

“I look for basis levels to stay rather firm as long as the producer does not let go of their stocks.”

months with no resolution in sight.

Now, the term African Swine Flu (AFS) seems to have been sweeping through China and wiping (according to some reports) out one third of their hog herd, which is about the size of the entire US hog herd. Think about that a minute... that is a lot of demand for feed that could be lost, and those fears are in the trade at the moment, thus another reason the market

can't seem to gain much strength. We will all find out the severity of the AFS in the future.

Farmer movement has been extremely slow most of the winter into the spring allowing basis levels to move higher. Corn basis levels have gone to areas that have not been seen in years. The end-users have needed corn, and last year's production being down in Minnesota has caused some unique opportunities in pricing basis contracts. I look for basis levels to stay rather firm as long as the producer does not let go of their stocks. The market feels there are plenty of unpriced bushels left in producers hands and with the lack of demand on the horizon, basis could get soft if movement happens.

What does a producer do now? Now that the price structure has pulled down and barring a major weather issue and a trade deal, it feels like we will be underpinned in our pricing ideas. We have seen some producers selling December 2020 corn futures above \$4.10 per bushel and November soybeans above the \$9.30 per bushel levels. While they are not BIG numbers, it's a place to “get started.” We have seen over the last 4-6 years that selling in the future has paid off. If you have your break-even numbers and want to put in open orders for this year, 2020, or 2021 let us know how we can help you succeed.

It seems like we have been talking about the trade deal for

NEWS CENTRAL

● GFW School hosted a Vehicle Fair on May 2 at the Elementary School in Gibbon for preschool aged children

and their families. Dan Buettner, right, a custom applicator in the Gibbon area, assisted students in looking around the equipment operated by the cooperative. This is a great opportunity to interest our youth in agriculture.



● CRC enjoys participating in area festivities such as parades, school and community events. Our agronomy team participated in the March 19 Ag Day Parade organized by the New Ulm Farm City Hub Club and FFA Chapter in celebration of National Ag Day.





BRIAN MEYER
Agronomy Operations Manager

CRC Has What You Need

I was sitting in my truck watching it rain and thinking how can it be possible to have back to back springs that are acting almost identical. We're trying to find fields, beat the rains and wondering if we will miss the next heavy weather system. I had to keep telling myself we will get through it, the crop will get in the ground. In all reality not all the pre chemical will get applied and there will be fertilizer that does not hit the ground. The good news is Central Region Cooperative has the equipment to cover a lot of chemical acres post applied very efficiently and timely. Starting early is still the best approach proving itself over and over.

The Fairfax Agronomy Center is progressing nicely this spring...we are excited and looking forward to serving you out of our new facility.

Dicamba spraying on the beans may also be a repeat of last year depending on when they get planted, the cutoff to spray them is still June 20. There are efforts being made to get this date extended, but in 2018 the decision was made by the Department of Ag to keep it June 20. By the time this is in your hands we should have a pretty good handle on how this will all play out.

On the dry fertilizer side, only time will tell on the percent of completion. There are several options that we can look at if the weather does not allow your preferred fertilization program. These are all good options and they are in no particular order, just the way they come to me. For dry fertilizer options CRC has two self-propelled row crop units, one has a spinner box, and the other has a 70 foot

boomed air system like we use in the spring and fall. A more do-it-yourself option would be the pull spreaders that are setup to be pulled down the row.

For a liquid fertilizer approach, we have a 16 row 30" coulters bar capable of being mounted on a high clearance sprayer, or caddy type coulters bars that can be pulled behind your tractor. Another option could be using our high clearance sprayers with drop nozzles for foliar applications. Some of these options used to be a struggle because you needed to catch a rain after application to get the nitrogen into the soil, but in the last few years the nitrogen stabilizers have really stepped up their game. We now can lay these products out with confidence and they will be protected for a couple weeks before the next rain comes. Talk with your crop consultant to determine the best method for your farm.



The Fairfax agronomy center is progressing nicely this spring following one of the toughest winters we have had in some time. See photos here. We are excited for this next step at Central Region Cooperative and looking forward to serving you out of our new facility. Have a safe rest of the spring and a great summer.



WELCOME

Cory Ahlness joined CRC in April as a driver for our grain division in Sleepy Eye. He is an experienced CDL driver. Cory has ties to the rural Springfield area and grew up on a crop and livestock farm. When not at work, Cory enjoys deer and pheasant hunting, and spending time with his friends.



Robert Barbur of Bird Island began his career with our agronomy team in April. Prior to coming to CRC, he worked as a soybean research technician and as an applicator following his experience growing up on the family farm. Robert is a graduate of Willmar Technical College with an Agribusiness Management Degree. When not in the fields Robert can be found landscaping, driving Harley, and sitting around a bonfire.



Dale Buysse, while being new to CRC's shop, he brings with him many years of mechanical experience and a wide range of specialized mechanical abilities. He began his employment in January performing service out of the cooperative's Sleepy Eye shop. Dale graduated from Minnesota West Community & Technical College-Canby, with an Auto Mechanics Degree. In his free time, Dale enjoys spending time traveling with his wife, Denise, as well as 4-wheeling.



Billy Foesch, formerly employed by CRC, recently returned to the cooperative as a custom applicator. He has worked in agriculture most of his working career and is passionate about doing a great job applying farm chemical and fertilizer to customers' fields. Billy and his wife, Michelle, and their children reside in rural Bird Island. In his spare time Billy enjoys racing, ice fishing and high school sports with his family.



Al Macius joined CRC as the BCA Manager on May 6. He is originally from the Sanborn area and earned a degree in economics and business administration from Bemidji State University. Al brings over 29 years of diverse experience within the cooperative system in managerial roles in the agronomy business, including 10 years recently worked in a sales/marketing role. Al began his career at Harvest States Cooperative prior to taking on managerial roles at LaSalle Farmers Grain Co. and other local cooperatives. Al enjoys fishing, golfing, hunting and going to the lake with his wife Amy and children, Lucy and Matthew.



Tim Johnson recently began working in the Buffalo Lake area this spring in agronomy operations. He has over 20 years experience operating equipment. He grew up in Edina, moved to Arizona following high school, and just recently returned to Minnesota. Tim has two adult daughters and one grandchild who reside in AZ. In his off time, Tim enjoys sky-diving, fishing, rock-climbing, hiking and 4-wheeling.



NEW EMPLOYEES

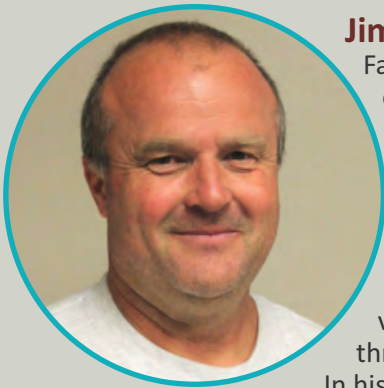
Mark Mages has 30+ years experience operating large ag equipment and has been a custom applicator running floater and spray equipment. He grew up on the family farm, then farmed independently with his wife Carrie for 13 years, growing field crops and raising dairy cattle. Mark will be working in agronomy operations out of the Buffalo Lake location serving ag producers in our northern service territory. He and Carrie reside in Olivia and enjoy riding motorcycle and spending time with their grandchildren.



Jaden Mickelson, a recent Agribusiness graduate of South Central College, has joined our Sleepy Eye agronomy team. Jaden may be a familiar face as he is returning to CRC as a full-time employee upon completing a summer internship in 2018. With his full time employment, Jaden is looking forward to meeting patrons and expanding his skills in agronomy operations.



Jim Schroeder of Fairfax joined the CRC energy team in February as an experienced bulk transport driver. Jim primarily operates out of Hector but he can be found at various energy locations throughout the territory. In his free time, Jim enjoys camping with his family and friends as well as attending his daughter's sporting events. He is also a volunteer with the Fairfax Fire Dept.



Thomas Weikle, a recent graduate of SDSU-Brookings, earned a degree in agriculture science. Previous to becoming hired full-time in May, he spent three summers completing agronomy internships with the cooperative, primarily out of the Fairfax location, where he gained "hands-on" experience learning the business and developing relationships with area producers. Thomas resides on his grandparents' farm in rural Fairfax and enjoys hunting, fishing and spending time outdoors.



EMPLOYEE JOB TRANSFERS

Jared Salonek, an experienced truck driver for the CRC grain department, cross-trained in the feed department this spring and recently transferred into a feed delivery position based out of the Sleepy Eye mill.



Jeff Mickelson began employment with the cooperative 5 years ago, working production in the BCA division. Recently he accepted a position in the grain department working in operations, primarily at the Sleepy Eye West location.



We Listened!

DAN FILZEN
Risk Manager



Central Region Cooperative and agricultural producers and consumers go hand in hand, a true cooperative partnership. To that end, we at CRC supply products and services to its patrons and members within the guidelines of the credit policy established by the CRC management team and the cooperative board, finally the policy is adopted by the board of directors.

One year ago, coop members voiced a concern about our credit policy. CRC management team and the board of directors listened and heard members say that CRC's credit policy with the due date of the 15th of each month was too tight of a timeline.

With that, the management team recommended, and the board of directors adopted, a new credit policy on May 1, 2018. The revised credit policy changed the due date from the 15th of the month following purchase, to the 30th of the month following

INFORMATION TECHNOLOGY SYSTEMS

Early this spring CRC had new phone systems installed in our Sleepy Eye locations. We did have a few hiccups during installation, which have since been resolved. I apologize for any inconvenience this may have caused anyone. Thank you for your understanding and patience. The new communication systems will allow us to interconnect our phone systems to most or all of our locations. By interconnecting the phones we will be able to limit phone toll charges between locations by extension dialing between locations.

purchase. The due date to receive a discount remained the 15th of the month following purchase. The policy also gives guidelines for accounts that are past due over 60 days and so on.

CRC's accounts receivable aging list is reviewed constantly throughout the month. As Risk Manager one of my responsibilities is to monitor our accounts receivable, and ensure and encourage consumers to stay within CRC's credit policy and guidelines established by the board. To ensure that the credit policy is followed as closely as possible, I work closely with account managers and the management team. In these financially difficult times in agriculture, we must work together to maintain a minimum level of risk to the cooperative, our member patrons and their equity in CRC.

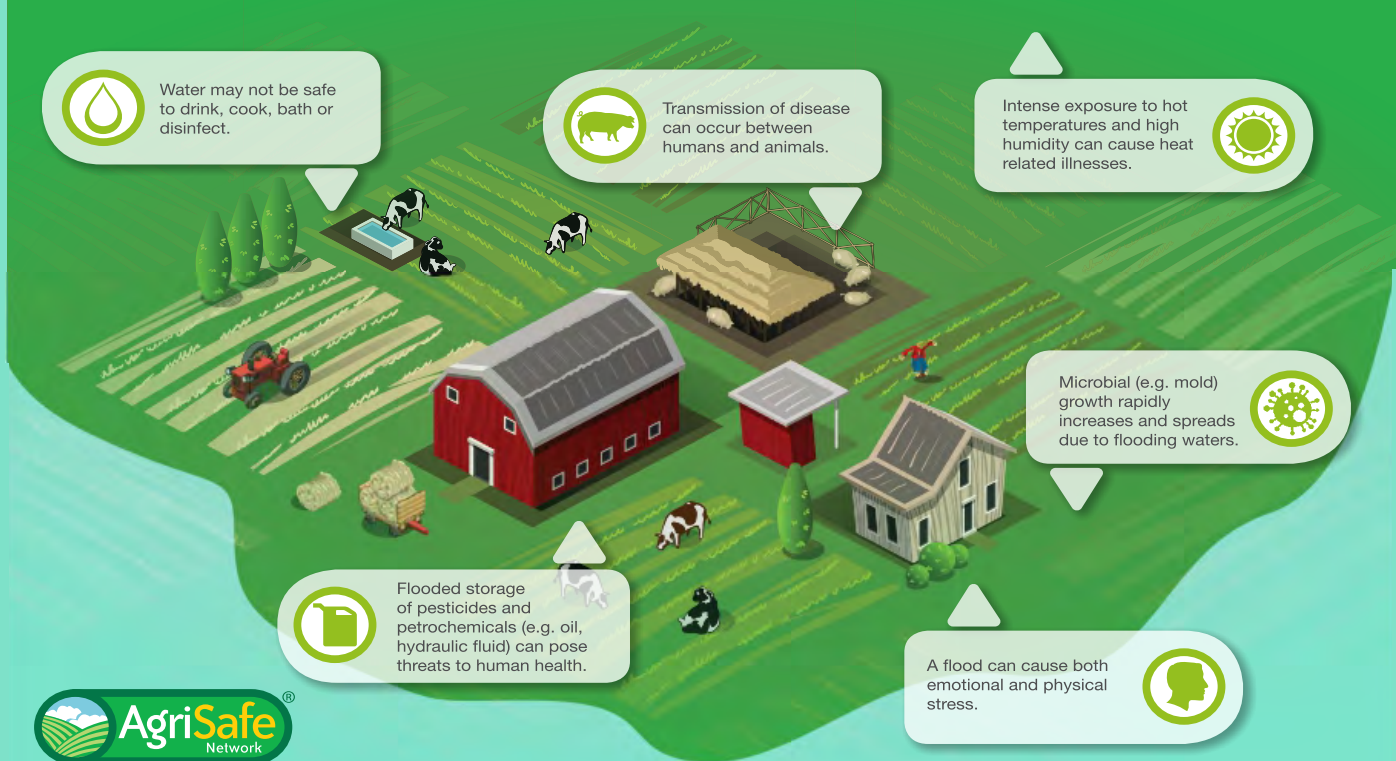
Please remember that spring deferred agronomy balances are due by the 30th of June 2019. Thank you for your continued support and patronage.







Central Region Coop's feed trucks are on the move. Pictured here making a delivery at the Jon & Zack Beckius farm.



FARM FLOOD HEALTH THREATS

RISK FACTORS DURING RECOVERY



RISK FACTORS*	HUMAN & ANIMAL	WELL WATER	CHEMICALS	MOLD	STRESS	HEAT ILLNESSES
	<p>Floods can potentially increase the transmission of communicable diseases: Water-Borne (Hepatitis A); Vector-Borne (West Nile Virus); Bacterial (Tetanus) spores and Fungal (Histoplasmosis) spores found in dust, dirt, animal droppings and animal carcass.</p> 	<p>Water may not be safe to drink, cook or clean with after a flood. Water can become contaminated with microorganisms such as bacteria, sewage, heating oil, agricultural or industrial waste, chemicals and other substances that can cause serious illness.</p> 	<p>If a chemical, pesticide or hazardous waste spill occurs, chemicals might be released from barns, homes, and other sources into the environment. Chemical spills could release vapors or chemical fumes. Local and state authorities will provide further guidance.</p> 	<p>Mold is part of the natural environment. Higher concentrations of mold and bacteria can be found after a flood. This causes the production of Microbial Volatile Organic Compounds (mVOCs), which emit chemical like odors and can become noxious respiratory irritants.</p> 	<p>After a natural disaster, you're dealing with the extra stress of current conditions, along with the daily stress of farm operations. Natural disasters create a tremendous amount of additional stress and anxiety. You may develop major depression, generalized anxiety, and posttraumatic stress disorder.</p> 	<p>Disaster recovery is physically strenuous, especially in hot temperatures. High humidity can boost the temperature by 15-20 degrees or more. Intense heat exposure can cause heat related illnesses. Signs include excessive thirst, weakness, headache, loss of consciousness, nausea and vomiting, muscle cramps, and dizziness.</p> 

PREVENTION TIPS	HUMAN & ANIMAL	WELL WATER	CHEMICALS	MOLD	STRESS	HEAT ILLNESSES
	<ul style="list-style-type: none"> Remove standing water Use only NIOSH approved N95 (or greater) respirators fitted to your face Use watertight, steel toe boots or waders, waterproof, cut resistant gloves Follow state guidance on carcass removal 	<ul style="list-style-type: none"> Sample and test the well water Conduct well and pump inspection Perform emergency disinfection of wells that have been flooded Follow health department drinking and bathing advisories 	<ul style="list-style-type: none"> Wear appropriate clothing including cover-alls, liquid and chemical resistant boots or waders, gloves and safety glasses Use only NIOSH approved respirators, such as chemical cartridge respirator for organic vapors with added pre-filter 	<ul style="list-style-type: none"> Wear safety goggles Use only NIOSH approved N95 (or greater) respirators fitted to your face Use water-proof, cut resistant gloves Properly ventilate area 	<ul style="list-style-type: none"> Be pro-active, recognize potential signs of stress, anxiety, or depression Know your local resources, where you can go for help Adequate sleep (7-8 hours) is critical to the recovery process 	<ul style="list-style-type: none"> Take frequent rest/water breaks Wear light colored clothing Use the buddy system to identify heat related symptoms Use water resistant SPF 30 or higher sunscreen Understand signs and symptoms

FACT SHEETS	Zoonotic Disease	EPA Well Disinfection	Respiratory Selection Guide	Mental Health	Heat Illness
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*This list of risk factors is not exhaustive. For example, other risks may include electric shock, drowning, falls and structural hazards.

FOR MORE INFORMATION VISIT AGRISAFE.ORG/FLOODCLEANUP





NEWS
CENTRAL
Donations

Sleepy Eye FFA Chapter was also a recipient of the matching grant program, CHS Seeds for Stewardship. Sleepy Eye FFA is planning to use the funds to offset the cost of National/State Convention, Leadership Conferences, and FFA Jackets. CRC board members Steve Lax and Ron Wendinger enjoyed presenting the \$5,000 combined donation to chapter members.



Steve Lax, Director, presented the Brown County 4-H program with two checks for a combined donation of \$5,000. CRC partnered with CHS Seeds for Stewardship Program to present dollars to the 4-H program for improvements to their exhibit areas at the Brown County Fairgrounds. CHS Seeds for Stewardship is a matching-dollars competitive grant program that supports projects in rural communities.



RON TREBESCH
Feed Dept. Manager

Finally in the Fields

Warmer weather is here and planters have been rolling, however it's hard to get excited with those past winter-like cold temps and poor prices.

Let's talk feed. Business has been good and we have had record tonnage. We have added a new feed delivery driver, Jared Salonek. We will be moving drivers around in the trucks, in the north and south more, so you may be seeing new faces on your yard.

We have updated a few things around both mills, as needed, to help with mixing times—some augers on ingredient bins, a bulk bin, conveyor and surge hopper. Most items came from the old Hector feed mill with the exception of the used bulk bin.

Dairy milk prices are finally going in the right direction,

hogs made a good move and beef prices are also good, so maybe all of us can fill the holes back in.

Please continue to secure feed orders at least one day ahead. This is a great help to us all.

We thank you for your support, we don't say this enough! Have a happy and safe growing season!

Last, but not least, the highly anticipated quote by Arnold H. Glasow:
“Success isn't a result of spontaneous combustion. You must set yourself on fire.”

NEWS CENTRAL



CRC celebrated Margaret Larson's 50th Work Anniversary with her on March 25 with cake and coffee. Margaret works out of our Gibbon location for the grain and feed departments, having started employment in 1969. We thank Margaret for her dedication over the years and as she continues to provide service to customers and member owners of the cooperative.

Minnesota Rollover Protection Structures Rebate Program

Minnesota ROPS Rebate Program

The Minnesota ROPS Rebate Program offers farmers and schools 70% of costs with a maximum out of pocket cost of \$500 in rebates for rollover protection installed on unprotected tractors.

1-877-ROPS-R4U Press 2
www.ropsr4u.org

www.mda.state.mn.us/farmsafety





CENTRAL REGION COOPERATIVE

P0 Box 429
Sleepy Eye, MN 56085



CENTRAL REGION COOPERATIVE

Employment Opportunities

FULL-TIME

Grain Operations
Feed Sales and Operations Specialist
Energy Delivery Driver
Agronomy Operations
BCA Production

PART TIME

BCA Production

SEASONAL

Inquire if interested, staffing needs vary by season

Applications and more information are available at centralregioncoop.com, at any CRC location or by calling Human Resources at (320) 833-3003.



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LOCATIONS:

BUFFALO LAKE

320-833-5321
800-642-6727

COSMOS

320-877-7261

FAIRFAX

507-426-8263
800-328-0131

GIBBON

507-834-6534
800-690-6534

HECTOR

ELEVATOR

320-848-2252

SLEEPY EYE

Main Office &
West Elevator
507-794-3031
800-757-0572

East Elevator
507-794-4581

Cobden Elevator
507-794-7390

Agronomy & Energy
507-794-5831
877-576-5456

BCA Products
507-794-5411

Feed Mill
507-794-3001

STEWART

320-562-2650



Questions or comments?
Call one of our locations or visit centralregioncoop.com