

December 2021

Manager's comments

by Craig Mans

Fall harvest has lingered on this year even with the weather cooperating. I would like to start off by thanking our employee group. They did an excellent job and put in many hours for harvest. We have taken in over 13 million bushels of grain for fall harvest. That will make this the 2nd largest harvest in Midway Coop history. That is hard to believe after the dry summer for much of our area. Read more about harvest in the Grain Department Report.

We are 7 months into our fiscal year and earnings are very strong. All departments are currently performing well. The strong year has once again allowed your board of directors to approve an equity payout. This year, in addition to the 5% equity payout the board has made an additional equity retirement of all equity prior to 2001. This will amount to nearly \$2 million in equity retirements. Checks will be sent out in December.

Midway Coop continues to use the cooperative system to benefit our members. Most of our regional cooperatives

MIDWAY DONATIONS

Midway Co-op in conjunction with CoBank donated a total of \$7,100 to the Osborne Recreation Commission for a new LED Baseball Scoreboard.

Midway Co-op in conjunction with CoBank donated a total of \$5,000 to Alton PRIDE to replace street signs, stop signs, children playing signs and adding more speed limit signs. Midway Co-op in conjunction with Land O'Lakes donated a total of \$3,000 to the Mankato Ministerial Association. Midway Co-op in conjunction with Land O'Lakes donated a total of \$3,000 to the Osborne Food Pantry.

Our Mission Statement is, "To serve our communities with a financially sound, professionally managed cooperative offering quality products and services at competitive prices." are having great years. Midway should be receiving a considerable amount of patronage from them. This is added to our income and increases the patronage we pass on to our members. This is the beauty of the cooperative system.

We will continue to manage Midway Coop as efficiently as possible, offer the services that you need and return money back to you in the form of patronage. Thank you for your business and have a Merry Christmas.

EQUITY PAYOUTS!

The Midway Board has approved a 5% equity payout. They elected to pay (retire) 5% of all patron's equities. This year, in addition to the 5% equity payout the board has made an additional equity retirement of all equity prior to 2001. This will amount to nearly \$2 million in equity retirements. Members will receive their checks this month. Remember this is a NON-taxable payment as the taxes were paid the year the equity was earned.

Agronomy

by Ron Reneberg

Farmers feed the world and my how we were able to do our share again this fall. Even in the driest parts of our territory we have been blessed for our labors. I want to thank each of you, our Patrons, for your continued support of your company Midway Coop, Inc. Without your hard work, long hours, communication, and dedication to the job getting done this wouldn't be possible.

As we all know we are in uncharted territory on Crop Input Pricing. This past year much of the season was spent on not what the price might be, but can I get the product. Our system works when we communicate intentions & needs. Our suppliers are doing great things for our area of Ag.

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With that being said, we still are facing significant challenges on input costs. Now more than ever next season's crop Intention Planning with your local Midway Agronomy Fieldman and location Manager keeps your future farming profitability on the forefront. In many cases through-out the territory yields have been better than expected. Nutrients have been used up and will need to be replaced for next year's crops. Sign up for our Winter Dry Fertilizer Program to make sure you don't miss out on savings.

Future Fertilizer pricing trends tend to be tracking cropping decisions and we do expect high demand on Nitrogen & Phosphate products once decisions have been finalized and weather stimulates movement. With much uncertainty in the Ag-market we also expect some short-term peaks and valleys in pricing with things stabilizing sometime after the first of the year. As always just in time orders will be difficult to guarantee so early planning will be needed.

Call your Midway Agronomy Fieldmen and local Midway location Manager on questions you might have. We are and will continue to position crop nutrients and crop protection products in our warehouses both with early shipments and with prepays with our suppliers to make sure you have product when you need it. We need to remember that it is important to apply Nitrogen fertilizer EARLY this winter to support the fledgling wheat stand and thus also taking advantage of already having your Nitrogen placed when we do get our much-needed moisture whether it is snow or rain.

Here's wishing you a very Happy and Prosperous Holiday Season!

Grain Department

By: Cullen Riner

I hope everyone had a Happy Thanksgiving. It has been a long fall harvest and we will soon be putting the 2021 harvest season in the rear-view mirror. Many thanks go out to the staff and managers at all our locations. They have put in a long couple of months and their hard work is much appreciated.

After the first week of August, I would not have guessed that this fall would be our second biggest harvest on record. As of the time this letter was written we have taken in just over 13 million bushels of grain. Up to this point, we have received over 6 million bushels of corn, over 3.8 million bushels of milo, and almost 3.2 million bushels of soybeans. Our southern locations were not far off last year's totals and our northern locations exceeded our predictions. Up to this point we have piled over 3 million on the ground or in bunkers. Currently the only uncovered piles are 115,000 bushels of corn at Bellaire and 500,000 bushels milo scattered between Bloomington, Osborne, Portis, and Downs. We are in the process of picking them up now. After the ground piles are finished, we will have 2.6 million left on the

ground and it is all covered.

The grain markets have remained steady and allowed our producers to sell grain at profitable levels. We have bought about 40% of the corn and milo and about 60% of the bean crop. This year we added more than 150,000 bushels of grain storage at Burr Oak, it came in handy and filled up quick.

Currently our elevators are overflowing with grain. That means lots of grain moving out in the upcoming months. This should make for a great year in the Grain Department and should assure good patronage dividends for year end. Just a reminder you can sell your grain now and not take your payment until January of 2022, however as of December 1st we will not pay interest on grain to be paid in January. If you have deferred your payment until January, your checks will be available for pickup at the General Office or mailed from here on January 6th. If you intend to pick up your check please call and make arrangements, so the check does not get mailed. Please call if you have grain on the farm and we would appreciate the opportunity to give you a bid on it. I want to thank everyone for their use of our elevators this past harvest. We look forward to handling your grain in the future harvests ahead. I hope everyone has a wonderful holiday season and a very Happy New Year.

Crop Nutrient Removal "FILLING UP THE SINK"

by Jeff Hammer

Crop removal has become the key term referenced in terms of fertility in the modern age of agriculture. Most intense nutrient plans that stem from grid or zoned soil sampling are developed over a predetermined duration with a build or maintenance plan in place. I will discuss some basic removal rates as we try to make a plan for 2022 with good new crop bids accompanied by record fertilizer prices.

Our grass crops (corn, wheat, and sorghum) are all similar in how they utilize Nitrogen. The main question I always get is, "how did I raise 170-180 bu. corn on 120 lbs. of Nitrogen?" Corn and sorghum only remove approximately 55% of the Nitrogen applied to the soil in the grain. The remainder is returned to the soil organically in the residue. This Nitrogen may become available to subsequent crops through a process called mineralization. It still takes 1.1 lbs. of Nitrogen/bushel of yield goal to keep Nitrogen from being limiting in corn and sorghum, even though we don't remove that much at harvest. Wheat removes a little higher percentage of the Nitrogen applied at nearly 70% of the 2.2 lbs/bu. recommended. This relates directly to our corn yields exceeding Nitrogen applications this past year. If you apply 90-100 lbs. of actual N to wheat that yields 45 bu., then 1/3 of your Nitrogen is getting put back into the soil Nitrogen system and readily available for the following crop. Nitrogen credit from soybeans is a commonly debated topic among agronomists. 60 bu. soybeans need approximately 300 lbs. of N that they fixate themselves.

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Subsequently, I would say in years of high yielding beans, we have less carryover the following year than we do in years when our soybeans are stressed with limited yield. I would not count on a large Nitrogen credit from soybeans most years. Any credit we get from soybeans is likely attributed to quicker warming and more mineralization in the spring months.

Phosphorus is a nutrient of major concern for me. Corn removes approximately 0.35 lbs./bu., soybeans 0.8 lbs./bu., wheat 0.6 lbs./bu., and sorghum 0.4 lbs./bu. Soil P levels are a major indicator of good soil fertility. Generally speaking, it takes 17 lbs. of P2O5 to change our soil test levels 1 part per million (ppm). 20 ppm is considered a good soil test level for our area. This means that if you have a soil that is 5 ppm, then it would take 150-200 actual pounds of P applied per acre without any crop removal to bring it up to those levels. The standard over the years has been to apply starter with wheat. If you only apply 30 lbs. actual P with wheat and take off a 60-bushel wheat crop, 150 bu. corn, and 50 bu. beans; you have removed over 125 lbs. of P2O5 from the soil in a 3-year span. This puts you at a deficit of over 90 lbs. and could pull your soil test down by as much as 6 ppm. This is one of the biggest yield inhibiting factors in our area today and a major problem moving forward with record high Phosphorus prices for 2022 and into the future.

Potassium and Sulfur are two other nutrients worth investigating. It is widely known that we don't get the amount of Sulfur from our rainfall that we used to get due to environmental restrictions on industry. Sulfur needs to be maintained with Nitrogen at a ratio of 12:1 in our grass crops for photosynthetic efficiency. Soybeans use over 3 times the amount of Sulfur as corn does and we don't often associate Sulfur with soybeans. 60 bu. beans require nearly 300 lbs. of Nitrogen which they fix by way of nodules, however, a Sulfur deficiency in beans can make Nitrogen use inefficient in soybeans as well. Potassium (K) is normally sufficient in our yield environments despite large amounts required for corn and soybeans. The one caution I have on K is that if you are running down the same rows with existing tracks you could have some K deficiency due to the immobility of K in the soil. Roots tend to grow down old, decayed root channels and the soil around those channels could become low in K after multiple cropping seasons.

Managing Phosphorus

by Brian Mans

Another harvest is in the books, and it is time to start planning for your 2022 crops. We are in unchartered waters with how high these fertilizer prices have gotten, but with commodity prices being where they are it is important that we do not sacrifice yield potential by cutting fertilizer. Often times phosphorus is one of the inputs that is cut back or out com-

pletely. However, before deciding to reduce or eliminate a "starter" application, we need to consider taking soil samples and analyzing parts per million as it relates to pounds of phosphorus and how to build and maintain phosphorus levels.

Soil samples are an important tool in managing your phosphorus. The soil sample results will include phosphorus parts per million in the soils giving you a starting point to make decisions. When you know where the phosphorus levels are, it makes it easier to decide how much starter you should apply. Once I have soil sample results, how do I use the data? How do I know how much available phosphorus that equates to? Soil samples will show your results in parts per million. An old rule of thumb is that parts per million multiplied by 2 will give you the total pounds of phosphate available for your crop. If a soil sample report shows that parts per million is 20 or more, it should be enough to meet crop needs on dryland acres. However, even with high phosphorus levels, banding some starter has proven to have a positive impact on yield.

Building phosphorus levels in the soil is not as easy as one might think. It takes 18 pounds of phosphorus to increase soil level parts per million by one. This also does not allow for any crop usage. Current prices and conditions make it hard to justify building phosphate levels in soils that are deficient, but we want to make sure we apply enough starter to keep from hurting yield potential. Banding 3 to 5 gallons of a starter product is not enough to meet crop requirements. These lower gallon applications are going to cause mining of the phosphorus out of the soil. To maintain or build your soil levels, broadcasting dry when spreading urea is a good way to achieve this.

Midway Co-op will take composite soil samples on your farm for only the cost of analyzing the soil sample, as long as you are purchasing fertilizer from us. While we cannot control commodity prices, input prices and weather, it is important that our fertility does not become the limiting factor. Please contact your local branch manager or your agronomist if you would like soil samples taken on your farm.

Protecting Your Investments

by Joseph Princ

I hope everyone had a good Thanksgiving. Fall harvest is hopefully finished for everyone. With the weather this last year, some of the crops were really good and others were disappointing. At this point it is time to start making plans for next year. Right now, we have our winter dry fertilizer program going on. I'm sure everyone has been following along with the current fertilizer prices and compared to last year it is much more expensive to put on. With that being said, I want to discuss some products that can help you to protect your fertilizer investment.

I'm sure most of you have heard of Agrotain, but I want to talk about how it can put more money in your pocket. Agrotain is a nitrogen stabilizer that helps to reduce nitrogen volatility by inhibiting the urease enzyme with the active ingredient NBPT. • See investment page 4

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Volatility occurs when urea comes in contact with a small amount of moisture that causes a reaction with the urea and urease enzyme. This reaction causes ammonia gas to be created and released into the air. Studies have shown that under the right conditions up to 40% of your applied nitrogen can be lost through volatility. Applying Agrotain to urea fertilizer can help to reduce the amount of nitrogen lost to the air. When volatility occurs, not only the fertilizer cost is lost but also yield potential for the crop is reduced. When turning in your fertilizer to be run this winter consider using Agrotain to help maximize yields.

Anvol is another nitrogen stabilizer that we will be transitioning to as we use up our Agrotain supply. Anvol works very similar to Agrotain as it contains NBPT, however, it also has a second active ingredient called Duromide. These two active ingredients work well together because the NBPT provides immediate protection while the Duromide molecule provides a much longer protection than NBPT alone. A study by Virginia Tech. has shown that Duromide increases the window of inhibition by up to 27% over NBPT.

Avail is a phosphorous enhancing product to be used on dry or liquid phosphorus. It works by creating a negatively charged shield that protects the phosphorus from getting tied up by calcium, iron, magnesium, and aluminum in the soil, thus making it readily available for plant uptake. Phosphorous is important in getting a crop started by increasing root mass, stand uniformity, and overall plant health. The best placement of this product would be in furrow at planting time, especially where soil test levels are low. Surface application treatments are not as feasible because phosphorus is immobile in the soil. When surface applying phosphorus, it is more beneficial to apply more phosphorous than treating it to help build soil levels. According to tests done by K-State, when Avail is used in furrow it can increase wheat yields by 8% and corn yields by 6%.

If you have any questions on these products make sure to call your agronomist or branch manager. Thank you for all your business in 2021.

Petroleum Department

by Terry Zvolanek

HOW TO AVOID FUEL STORAGE AND HANDLING MISTAKES

Whether you have a permanent fuel storage tank or are using a temporary storage unit in the back of your pickup, making storage and handling mistakes can translate into wasted dollars that can cost you dearly. Fuel that isn't stored properly can become unusable. That ends up costing you more per gallon.

With various fuels already creeping towards \$4.00 a gallon, it's an expense you can't afford. Improperly stored fuel also increases the total cost of ownership of your equipment.

There are two major factors that contribute to fuel storage and handling mistakes.

Condensation and water buildup-

You can't avoid some condensation. Water is an inevitable fact of life for fuel tanks. Even if you are very diligent in replacing the cap and making sure it is closed tightly and you have no leaks, nature ensures that water will get into your fuel tank. Picture the tank during the day heating up in the sun. At night when the temperature drops, the moisture in the warm air that's in the tank will turn into water droplets that will fall into the fuel. The water in the tank will eventually sink to the bottom. Because of its chemical composition, it's heavier than gasoline and diesel fuel and will not mix with these two fuels. You need to check the water level at the bottom of the tank to ensure that your pumps aren't taking straight water out of the tank. It's easy to check the water level by using a measuring stick in conjunction with a water-finding paste. When the gold paste turns red after being exposed to water, you will be able to measure how many inches of water are in the tank. You may need to manually pump the water out to get it to an acceptable level. Most heavy-duty equipment uses filters to separate water from the diesel fuel before it goes into the fuel system. However, having to much water in the fuel can cause the machinery to shut down more frequently.

Dirty fuel-

Dirt will get into fuel. It's inevitable whether the wind blows it directly into the tank or it sticks to the hoses and nozzles, it will get in. Before you pump fuel out of the tank and into the equipment, you should make sure it is filtered. The pump should have a sophisticated pump filtration system on it.

Many people make the mistake of not changing the filter on these pumps or not using the appropriate filter size. The pump should filter down to an absolute micron size that eliminates anything harmful entering your equipment.

If you don't filter your fuel, your equipment's own fuel filter can help. But it's not a good practice to rely only on the fuel filter that comes with your trucks and equipment. They can clog up prematurely and the equipment may simply shut down due to lack of fuel flow.

The bottom line is improper storage and handling of fuel and gasoline will drive costs up and adversely affect your productivity. When not properly maintained, the total cost of ownership of your equipment will increase as you scramble to fix, repair, and replace parts at a much faster rate than necessary.

The Feed Mill



By Dean Heise

Mineral's Too Expensive!?!

"I cannot keep mineral in the feeder" is a common saying in the winter. We may have plentiful grass in the pastures,

but the quality is low. The protein and mineral content is lower than normal and livestock is consuming more than usual amounts of mineral. Make sure they are not craving just salt, if it is easier to take a mouth full of mineral than to lick on a salt block...that may be part of the overconsumption issue. A cows should eat about 1 lb. of mineral each week, if it is over 1.5 lbs., add loose salt to the mineral to slow them down. I am seeing some research that shows some scours are associated with low levels of Vitamin A. Make sure you are using a mineral with at least 300,000 IU of Vitamin A so that there is enough to meet the needs for scours reduction as well as helping reduce the chances of retained placentas. Don't skimp on mineral during the rebreeding of fall cows or the gestational programming of spring calves. If you can get one more cow bred or one more live healthy calf on the ground with today's prices on weaned calves that would pay for about one ton of premium mineral with chelated ingredients. (Almost enough to supply 40 cows for a year.) Phosphorus is a key nutrient when it comes to getting cattle bred, make sure that trying to save a couple bucks per bag of mineral doesn't cost you a calf at weaning time.

Don't forget that our mineral promotion will be coming again in January so you can get 1 free bag when you buy twelve bags of any floor stocked range mineral.

Maximize Feeding Efficiency

To maximize your cattle's genetic potential and minimize feed costs, we have to utilize all available nutrients going into the cattle. Hay availability is good but there are a lot of low-quality forages being mixed with wet distillers grains so we need all the help we can get to be able to breakdown the roughage. Wet distillers is somewhat of a challenge again this year with availability and price, contact us to run a least cost on your mix to see if it is cheaper to use other protein sources to feed the cows or calves in your lots.

We offer many types of ionophores and yeast to meet your various needs: from reducing bloat, increasing feed efficiency, helping forage digestion and utilization, to preventing/treating scours. They can be mixed into complete feeds, supplements, or made into a top dress for specific hand feeding needs.

With harvest wrapped up, many of you will be utilizing stalks. There is a lot of forage there to be used but the digestibility of these stalks is not the best and needs some protein to help utilize it. Our **Golden Feeds protein tubs** are a perfect fit to provide a complete protein and mineral program for beef cattle. We have some of the tubs available in an edible container as well as the plastic containers. Consumptions can be adjusted from <½ lb. per head per day with 35-40 head per tub to 1+ lbs. per head per day with 12-15 head per tub. Salt needs to be fed free choice as the tubs contain no salt. We also have some **high fat tubs** to keep cows in better condition on winter pastures or stalks. We carry a 30-10-10 or a 30-13-6 Breeder which have 10% and 6% fat level respectively.

Some fields have excessive grain on the ground so use caution when turning onto these fields. We have 12-8 Mag/Yeast mineral designed for use on these fields that will help with the acidic overload that corn/milo will create in the rumen. If the grain is really bad, you may want to add sodium bicarbonate to the water tank also to help buffer the rumen also. Give us a call and we will help you through the winter grazing season, so you are ready for calving.

Thank you for your patronage and please have a Safe and Merry Christmas Season.

Harvest price increase in 2021 By Eric Mans

With strong markets through the month of October, for the second year in a row we saw an increase in our harvest price for all spring planted crops. The corn and milo harvest prices are set during the month of October, based off the December Futures. The soybean harvest price is set during the month of October, based off the November Futures. The crop insurance harvest prices for corn ended up being \$5.37 which is up from the base price at \$4.58. For milo, the harvest price got set at \$5.16 up from the base price at \$4.40. The soybean harvest price was set at \$12.30 which is up from the base price of \$11.87. Because of this, producers that have selected revenue protection for their crops may be getting a Revised Revenue Guarantee. Remember, with a Revenue Policy you get whichever is higher (the base price or the harvest price.) The base price is set during the month of February for corn, milo, and soybeans. In this day and age, with the market volatility we have, Revenue policies offer the best protection for the producer. Here are a couple of things to keep in mind. Remember, the Harvest Price just like the Base Price is established by the Kansas City Board of Trade, not at the local elevator. The price you sell your crops at the elevator is not what crop insurance considers to be your "Actual Farm Revenue". Crop Insurance sets all prices and figures all claims at board price. This allows them to compare "apples to apples".

Just a reminder that the wheat reporting deadline is just around the corner so remember to get your acres reported and to your agent by December 15th. Production reporting for all fall crops recently harvested is not due until April 29th, but be sure to get any potential claims turned in timely.

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With Inputs for the 2022 crop year already beginning, be sure to contact me or your field rep and get your CFA note set up to secure low rate financing. CFA now offers online applications at cfafs.com as well as online account access. If you have any questions or want to discuss any of your crop insurance or input financing needs stop by the Midway Coop General Office in Osborne, or give me a call at 785-346-5451, or on my cell at 785-346-4654.

Technology

By Joshua Hendrich

CREDIT CARD PAYMENTS FOR STATEMENTS

Midway Coop now accepts Credit Cards for payment on your account!

Offering 2 options: In-Person at the General Office or over the phone (785-346-5451).

*Additional Fee Applies

In addition to the credit card payments, we still accept payments via ACH on our online portal (customers.midwaycoop.com) for single or recurring payments. Please call the General Office for assistance.

RANSOMWARE

The ag industry has been a target this year for ransomware attacks. Several high-profile cooperatives have been targeted. At Midway Co-op we take your information security seriously. With help from our partners, we have taken every precaution to protect our systems.

How can you protect your technology?

- 1. Backup your data, to the cloud and/or backup hard drive. The backups can be used to recover your data if you do get a virus or have device failure.
- 2. Since most updates are security related, update your computers, phones, and tablets.
- 3. Use antivirus software on your computers, keep it up to date and let it scan regularly.
- 4. Emails that are asking for your login information, passwords, etc. they are phishing (fishing) for your information. Don't take the bait!
- 5. Download your application for your computers and phones from the app stores instead of websites, when possible, because the apps are regularly checked for malicious software.
- 6. Multifactor authentication or (2 factor authentication) this sends a code to you, usually via text message. This code protects against someone logging into your account using your info. I would recommend using this system for all financial websites and apps.

VARIABLE RATE APPLICATION

Midway now has more options for creating variable rate prescriptions and applying them as well. With the prices of inputs increasing across the board, now it is a good time to investigate maximizing dollars on your acres.

NOTIFICATIONS OF ACCOUNT ACTIVITIES

Our new system allows Midway to send you notifications about your account. Statements, prepaid statements, invoices, and several different grain forms can be emailed to you. Signup on our

website or in-person at the General Office.



For some texting is the easiest and timeliest method. Simply scan the QR code below to send a text message to me. If you need help with any of these topics or other technology, please include it in the text message.

Scan code to send me a text message. Fill out what you need help with.

CO-OP, INC	
DIRECTORY	
General Office	346-5451
Elevators	
Alton	
Bellaire	
Burr Oak	
Downs-Corinth	
Lebanon	
Luray-Waldo	
Mankato	
Osborne-Bloomington	
Portis	346-2021
Service Stations/Propane	200 0561
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	389-5311
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