Summer 2025



Atlantic • Defiance • Denison • Harlan • Irwin • Moorhead • Oakland • Portsmouth • Shelby

Introduction

Nick Schechinger, General Manager

Summer is flying by as it always does! We are very thankful for the rain we have had so far this crop season. FSC is having another solid year, dry fertilizer is down slightly, but we have increases in NH3 and



UAN due to some more corn acres in our area. Fuel volumes are consistent year over year and propane was up due to a little colder winter. Feed continues to be very consistent again this year.

Here are some updates from the last few months: In January, FSC purchased the fuel business from Larry Heller in Dunlap. This has been a great addition to FSC! We have enjoyed meeting new fuel customers and expanding our fuel business. We welcome the new customers in this area to FSC and thank Larry and Deb Heller for their assistance throughout this transition.

Since 2020, FSC has invested more than 25 million dollars in fixed assets and facilities. We are building our company to keep up with the pace of today's customers. We recognize these are big investments, and they have all helped with growth and are meeting the expectations of our customers. FSC will continue to look for opportunities to improve and expand our assets that help all our customers get the job done safely and on time.

In closing, I want to recognize our wonderful staff of employees! We have a very dedicated staff that truly care about the work they are doing for you! People buy from people, and I am so proud of the employees we have to serve our customers.

From all of us at Farm Service Cooperative, thank you for your business!

Feed Division Update

Aaron Bauer, Feed Division Manager

"No two days are ever the same." That motto rings loud within the FSC Feed & Grain Division; however, even throughout the chaos one thing remains constant and that is FSC's commitment to provide customers with local quality feed options in Western Iowa.

Over the last year, we have made many upgrades and improved efficiencies to maintain that commitment. Starting last fall, we installed a new pellet mill in the Harlan Feed Mill replacing the original pellet mill, which

was nearly 60 years old. FSC felt it was important to ensure a local pelleting option for our growers long into the future. With that said, maintaining pellet quality was essential, and with the new system we have done that and nearly doubled the pellet per hour output. See pictures below of the previous and new pellet mills.

Within the next couple months, we will also be installing a new sewing machine and scale for our mineral bagging line. Ingredient storage upgrades have also been performed throughout the last year, with many other improvements planned for the upcoming year, which we are excited to share with you as they progress.

Fall is fast approaching, and it looks to be a big crop out there as of now. Over the last year, FSC has completed distributor and conveyor upgrades at the Denison Elevator, as well as a new probe and pit repairs at the Harlan Elevator. The grain relationship with Nexus Cooperative has gone well, and the FSC team is ready to be a local grain outlet for our growers this fall.

Finally, I would like to thank our customers and members for the continued support throughout the last year, and we look forward to continuing the quality service you not only expect but deserve in the future.



Energy Division Update

TJ Keane, Energy Division Manager

Energy Market Update & Propane Service Information

The energy market has been, to say the least, unpredictable. Just when it seems like prices may stabilize, a new geopolitical event rattles the system all over again. Earlier this year, most analysts recommended holding off on fuel contracting until summer due to favorable supply and demand trends. However, unexpected developments, such as tariffs, threw a wrench in those forecasts.

Following the market's reaction to those events, we experienced further volatility driven by the Iran-Israel conflict. While things have recently calmed down, there are still plenty of factors to keep an eye on.

Crude oil prices have dipped slightly in response to uncertainty around potential U.S. tariffs and expectations of increased production from OPEC+. As trade tensions rise, concerns over global economic slowdown and reduced industrial demand have increased. While geopolitical risks are still present, market focus has shifted more toward economic fundamentals.

The anticipated increase in OPEC+ output could add pressure to supply, while new tariffs may suppress demand. Traders and analysts are watching closely for signals from upcoming OPEC+ meetings and economic indicators. Overall, market sentiment remains mixed, bearish demand outlooks are being weighed against potentially bullish supply conditions.

Propane Contracting Season Notice

As we enter propane contracting season, we kindly ask that you ensure your propane tanks are free of debris, weeds, or any other obstructions. Clear access to tanks is essential to the safety of our drivers and helps us provide safe, timely, and efficient service to all our customers.

In addition, we will be replacing outdated gas regulators as part of our safety compliance and insurance requirements. These regulators must be updated to meet current safety standards.

We've secured a bulk purchase of new regulators at a discounted rate, and we're passing those savings on to our customers

Outdated or poorly maintained regulators can lead to a range of issues, from reduced appliance efficiency and increased fuel usage to serious safety hazards such as gas leaks, unstable pressure, or even fire and explosion risks. Over time, internal parts like springs and seals can deteriorate, compromising performance and safety.

A faulty regulator can also cause essential equipment like stoves, water heaters, and furnaces to fail, resulting in costly repairs and unexpected downtime. Additionally, continuing to operate with a malfunctioning regulator may violate safety codes and could void equipment warranties or insurance coverage.

We appreciate your cooperation as we work to ensure the safety and reliability of your propane service.

Tank Monitor Installation

To further improve service and help ensure you never run out of propane, we're beginning to install tank monitors on all customer tanks. This process will take a few years to complete as we will be starting in the northern locations first and working our way south. Here's why these monitors are beneficial:

- 1. Save Time & Effort: No more walking out to check tank levels. Use the monitor's app to view fuel levels anytime, anywhere, especially helpful for remote properties like cabins, barns, or elderly relatives' homes.
- Track Usage: Monitor how much propane you're using. If usage spikes unexpectedly, it could indicate a leak or system issue.
- 5. Avoid Runouts: Running out of propane can stop operations, trigger costly emergency deliveries, and require additional safety checks.
- 4. Reduce Safety Risks: An empty tank in cold weather can pose risks to your home or livestock. Tank monitors help prevent such emergencies.
- 5. Prevent System Damage: Empty tanks can lead to frozen pipes or damage to your fuel system. Keeping your tank filled reduces the chance of costly repairs.
- 6. Enable Efficient Deliveries: With monitors, we can schedule deliveries more efficiently, saving you time and helping us serve all customers better.

Additional Information

You should have received your "Duty to Warn" pamphlet in the mail, which includes important safety information for propane use. Keep an eye out for your propane contract arriving soon.

If you have questions about the market, contracting, or need service work, please don't hesitate to reach out to Taylor Assmann, Clint Smith, or myself.

We also have a solid inventory of propane tanks, fuel barrels, and bulk oil systems available to meet your needs.



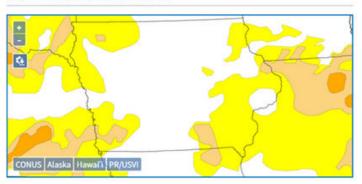
Photo captured by Chad Kroger

Agronomy Division Update

Tyler Reimers, Agronomy Division Manager

2025 appears to have the potential to be a record-breaking year. At the time of writing this, Harlan has accumulated 1412 heat units, slightly ahead of the 30-yr average of 1372 GDUs. 113 RM corn should be beginning black layer around Sept 15 if weather patterns hold. The July 13 USDA Crop Progress Report rates Iowa topsoil moisture at 94% adequate to surplus and 90% going deeper to the subsoil, however, the Drought Monitor does still show drier conditions persist on the edges of the state.

INTERACTIVE MAP: U.S. DROUGHT MONITOR



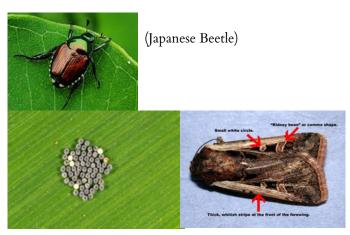
Current condition of the crop is also doing well with corn 85% good to excellent and soybeans 79% good to excellent. The growing season has been fairly stress free from emergence to now. Some notable stand thinning in soybeans in places of high residue. Pockets of western Iowa have experienced wind events, however, most have stood up as we now begin pollination. Outside of weather events, the only thing that can decrease our yield potential is disease and insect damage. Tarspot has been confirmed locally earlier than in years past. Fungal spores do thrive in the abundance of moisture we have experienced lately.



Source: University of Minnesota

Reports have come in about Japense Beetle and Western Bean Cutworm populations. Japanese Beetles will cause damage in corn by slipping silks during pollination. They are easily identifiable by the metallic green and red coloring and white dots along their body. Spraying is recommended when there are 3 or more beetles per plant. Western Bean Cutworm egg

masses will be found in the top half of the plant clumped together in groups. Adult moths have thick white lines on front of the wings with circle and comma shapes behind. A person should consider spraying when 5% or more of plants have egg masses on them. The larva will hatch from the eggs and chew into the ear during fill and cause issues post pollination.



(Western Bean Cutworm eggs and moth) Source: Purdue Agronomy Website

Please reach out to your local FSC agronomist for any of your needs the rest of this summer. We are happy to help collect data and provide information as you make decisions for your operation. We pride ourselves in making the best recommendation for each acre and are happy to talk through any options that will be of benefit.

Location and Project Updates

Nick Schechinger, General Manager

FSC is constructing a new chemical shed and office in our Shelby location. We hope to have this complete by the end of the year. This chemical shed is 80x150 and will have an automated loadout system as well as warehouse storage for package chemical and seed. We are very excited to complete this project and modernize our Shelby location.



Computer Division Update

Melissa Pope, IT Manager

ATTENTION WINDOWS 10 USERS: IMPORTANT NOTICE

Windows 10 Support Ends October 14, 2025

Microsoft has announced that it will officially end all support for Windows 10 on October 14, 2025. After this date, your computer will no longer receive important security updates or patches —leaving it more vulnerable to viruses, malware, and other security risks.

What Does This Mean for You?

If your PC is still running Windows 10, now is the time to plan your next step. Here are your options:

Option 1: Upgrade to Windows 11

If your PC is compatible with Windows 11, we can help you upgrade safely.

Option 2: Replace an Outdated PC

If your computer isn't eligible for Windows 11, it may be time to consider a new device. We can help you find something reliable and affordable.

⚠ Option 3: Do Nothing (Not Recommended)

Without updates, Windows 10 becomes a security risk. Microsoft will offer paid security updates—but these are expensive and intended for large businesses, not home users.

- **How We Can Help:**
- ✓ Compatibility check Is your PC ready for Windows 11?
- ✓ Upgrade services We'll handle the update process for you.
- ✓ New computer recommendations Tailored to your needs and budget.
- ✓ Backup & data transfer Your files and photos will be safe.

Let's Get Ahead of the Rush

The closer we get to the deadline, the busier things will get. Get your upgrade or replacement done early to avoid long wait times and last-minute headaches.

- † Stop in or call us to schedule your free PC checkup today!
- **3** 712-755-2207
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Thank you for trusting us with your tech needs!

- FSC Computers