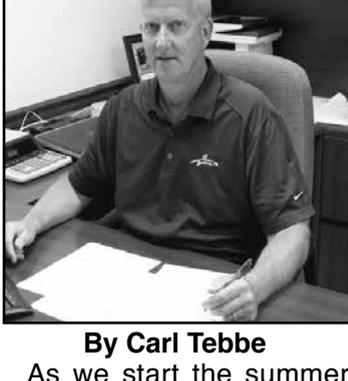


Manager's Report



By Carl Tebbe

As we start the summer season, we are hopeful for good weather and continued rains throughout the summer. By mid-June, the wheat fields will be turning to "amber waves of grain" which is always a beautiful sight on the rolling terrain of Southern Illinois.

Coronavirus

The wide ranging impacts of the government mandated shutdown has impacted our cooperative negatively. Every business in the communities we serve and every family in these communities has seen and lived through the challenges of the shutdown. From Gateway FS, all of our employees have remained healthy throughout. We realize not everyone was as fortunate. For those families who have lost a loved one, we offer our sincere condolences.

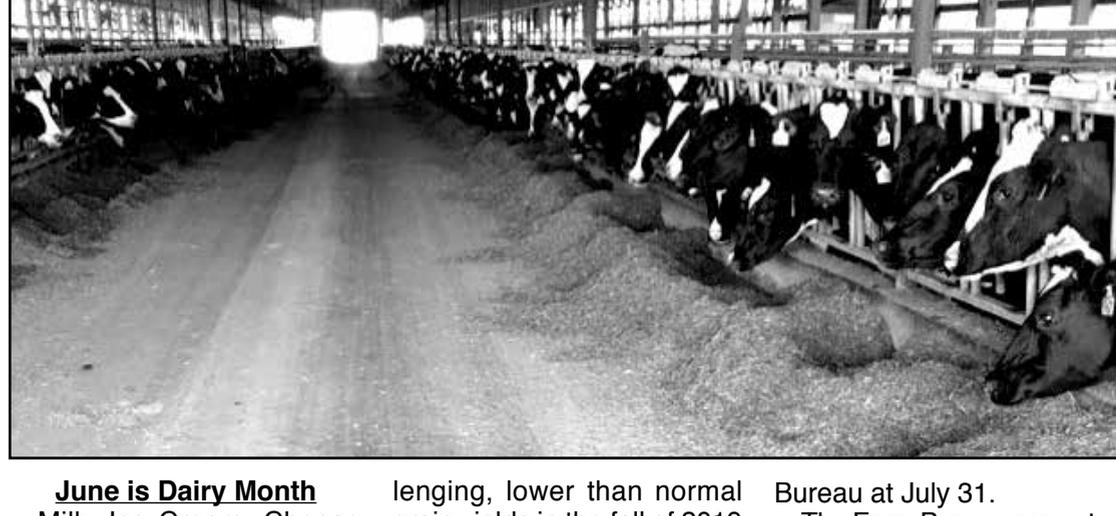
65 Year Anniversary of the FS Logo

The cooperative system in Illinois generally started in the 1930's with Illinois Farm Supply Company (GROW-MARK) serving as the regional cooperative for local member coops such as Gateway FS.

It wasn't until 29 years later or 1955 when Illinois Farm Supply CEO Chet Becker introduced the FS logo as a way to brand the quality products and services the FS companies offered. CEO Becker, in a speech to kick off the new brand in the summer of 1955, offered the following in his speech:

"Perhaps you wonder what the initials "FS" stand for? The trademark may make you think immediately of Farm Service or Farm Supply, or Fuel Service, Feed Service, Fertilizer Service, or Friendly Salesman or Future Savings."

"It is the hope of the Illinois Farm Supply Company that "FS" will mean every one of these things to patrons. And when they see "FS" it is further hoped that they will think, in a larger sense, of what their cooperative stands for – character, business integrity, and good business citizenship. Yes, "FS" means all these things too."



June is Dairy Month

Milk, Ice Cream, Cheese and Butter. daily staples for every household. We are thankful for the hard work performed by our area's dairy producers as well as the livestock and pork producers.

The past year has been extremely difficult for dairy producers in our area with low milk prices and excess milk supplies. An extra glass of milk a day would benefit you and our local dairy producers.

Whether you are growing, hauling or feeding agricultural products, you are part of the solution to feeding an ever growing world population.

Gateway FS Fiscal Year Progress

As we enter June, Gateway FS is winding down the last 2 months of its fiscal year, which ends July 31. The year has been particularly chal-

lenging, lower than normal grain yields in the fall of 2019 hurt our grain elevators. The Corona virus has increased our cost structure and as people sheltered in place, fuel consumption was reduced at our retail stations. Additionally, the spring planting season started out tremendously in early April, since then we have been waiting on the rain to stop.

Despite these obstacles, we are on target to meet or exceed budgeted sales volumes established at the beginning of the fiscal year. While a lot can happen in the next 60 days, we feel patronage will be paid to customers this year in the majority of the various segments of our business. One of the requirements to be eligible for patronage, is being a current dues paying member of a county Farm

Bureau at July 31.

The Farm Bureau promotes and sponsors many legislative activities throughout the year to benefit farmers, and the rural communities in which we reside. If you haven't already, please take the time to get your Farm Bureau dues paid before the end of July. If you are interested in joining the Farm Bureau for the first time, in Clinton county call 526-7235, in Jefferson county call 242-4510, in Monroe county call 939-6197, in Randolph County call 443-4511 and in Washington county call 327-8081.

Thank You

A special thanks to every customer for the opportunity to serve your needs this spring. Enjoy your summer and thank you for supporting your cooperative, Gateway FS!!

Pre-Season Maintenance in an Uncertain Season

This has been a strange year so far to say the least. And with schools, many businesses, and social gatherings on hold for much of the spring, it has felt at times like the world has stopped spinning. But, of course, we know that isn't the case. The temperatures will continue to go up and the rains will come and the crops will grow. Farmers can't put their season on hold for a few months and pick it back up again, and so, like always, they must go on, including pre-season maintenance. However the season may look for you, the fact remains that farming is a hard job, and

farming equipment has to stand up to a bit of a beating each year. At FS Construction Services, we know that the wear and tear adds up, and few things are more disastrous than your grain system breaking down on you in the thick of harvest. Unfortunately, these things don't come with a check engine light, but there are a number of signs that can tell you it's time for a little pre-season TLC.

Here are a few indicators that your grain bin might need a little pre-season maintenance.

- Excess dirt and debris. Look especially close around

roof panels, vents, and connections

- Moisture buildup. Check manholes, caps, and any other opening to make sure everything is sealing properly
 - Unsafe electrical connections. Make sure your wiring is secure and not weathered or damaged
 - Loose anchor bolts. Tighten anything that's loose and see if the foundation is still level
 - Rust, old grain, other junk. While you've still got some time and an empty bin, make sure it's clean and free of things that could cause rot
- Now most of these are

pretty obvious tasks that most people are going to be able to perform on their own. But if you're working with some older equipment or it's been a while since you've had work done on your grain dryer or you're just the better-safethan-sorry type, you can let us know. We'll send a trained technician out to you to perform an inspection on your dryer. Specifically, our techs look at six key areas:

1. Burners
2. Fan housing and blades for dirt buildup
3. Belts for wear
4. Bearings
5. Electrical controls and

switches

6. Gas pressure regulators and LP gas vaporizers

It is a little bit of time and money, but we've seen time and time again how a little bit now can save a lot in the future. If you would like to schedule an inspection, or if you would like to browse our selection of stir dryers, counter mix-flow dryers, or counter-flow dryers, let Gateway FS Construction Services know. Give us a call at 866-551-3454, and let our specialists help you find exactly what you are looking for. We look forward to providing you the best customer service experience.

GATEWAY FS, INC.

MANAGEMENT STAFF:

General Manager..... Carl Tebbe
 Contoller..... Brian Perez
 Operations & Structures Manager..... Greg Birchler
 Credit Manager/AgriFinance Specialist..... Craig Yoch
 Agronomy Dept. Manager..... Ryan Gonzalez
 Energy Marketing Manager..... Brad Maschhoff
 Feed Department Manager..... Wayne Polczynski
 Grain Department Manager..... Adam Parker

LOCATIONS:

Baldwin - Eric Rohlfing, Manager..... 785-2200
 Evansville - Steven Walter, Manager..... 853-2211
 Chalfin Bridge Facility - Derek Hoffmann, Manager..... 458-6588
 Kemper's Landing - Nick Maddox, Manager..... 458-6466
 Prairie du Rocher - Joe Mollet, Manager..... 284-7200
 Percy - Shane Moen, Manager..... 497-2135
 Red Bud - Elevator, Donnie Rednour, Manager..... 282-2646
 Red Bud Structures, Greg Birchler, Manager..... 282-3454
 Paint Service - Brian Garleb..... 282-3454
 Nashville Elevator - John Kohnen, Manager..... 327-8218
 Nashville Warehouse - Eric Block, Manager..... 327-8816
 Oakdale Elevator - Craig Ratermann, Manager..... 329-5311
 Venedy Elevator - Taylor Zurliene, Manager..... 824-6358
 Breese Warehouse - Tim Richter, Manager..... 526-4539
 Ferrin Elevator - Kris Kauling, Manager..... 226-3275
 Woodlawn Warehouse - Jim Michael, Manager..... 735-2010
 Waltonville Elevator - Chester Angus, Manager..... 279-7251
 Belle Rive Warehouse - Craig Simmons, Manager..... 756-2482
 St. Mary's, MO LP Sales - James Hasty, Salesman... 1-573-543-5145
 Warnock NH3 Plant - Jacob Frank, Manager..... 281-4396
 Waterloo Elevator- Berry Keller, Manager..... 939-6151
 Waterloo Fast Stop - Erica Lavalle, Manager..... 939-4979
 Waterloo Fertilizer Plant - Jacob Frank, Manager..... 939-8237
 McBride Facility - Mark Roth, Manager..... 573-547-2561
 Ste. Genevieve Facility - Russ Loida, Manager..... 573-883-3552
RED BUD OFFICE..... 282-4000
NASHVILLE OFFICE..... 327-3046

Excited to Announce Our New Partner, Farm King



There are many things that have contributed to our success and longevity over the past 40-plus years, but one of the most important has been the many partners we have had the pleasure of working with during that time, and adding a new partner from time to time. These wonderful companies and manufacturers allow us to provide our customers with the highest-quality products at the best possible prices. Our grain systems have been some of our most popular products and, to continue to meet the need of our clients and make use of the most recent technology, we have regularly expanded our offerings and services provided,

particularly in the field of grain drying, handling, and storage.

With this in mind, FS Construction Services is excited to announce that we are adding another manufacturer to our professional family. Farm King is an agricultural equipment company based in Canada with a network of warehouses and distributors throughout North America. Their expertise and top-tier product range make them an ideal partner for us.

Farm King is committed to durable, top-of-the-line equipment and we can't wait to begin selling and installing their impressive line of augers. From conventional to utility to bolt-on hopper

to backsaver to unloading augers, their catalog comes in a wide variety of features, sizes, and functions, to make sure that you have the exact equipment you need for the job. Their wide variety of augers will no doubt provide a great deal of options and customization for our customers for many years to come.

If you are in need of a new auger or are looking for any other kind of grain handling equipment, please let Gateway FS Construction Services know. Give us a call at 866-551-3454, and let our specialists help you find exactly what you are looking for. We look forward to providing you the best customer service experience.

Energy News

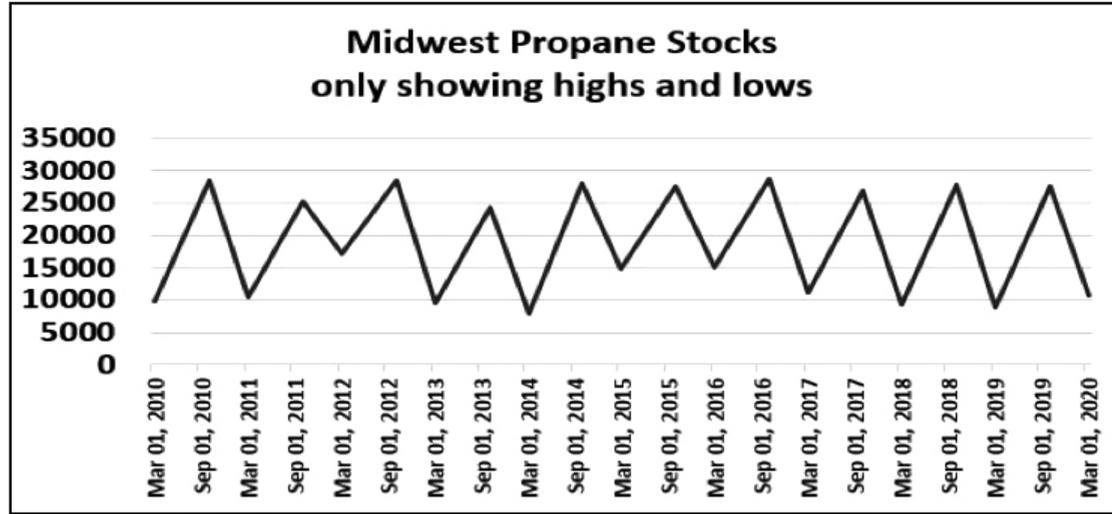
By Brad Maschhoff
 Energy Dept. Manager
 Gateway FS Inc.

The oil market has found some strength in the past couple of months closing over \$34 at the end of May. This is up about \$10 from the middle of March. Even with this resurgence the oil market is still down about 45% from the January high of \$65. The strength has been driven by states easing restrictions and people venturing out along with production cuts by OPEC and other major oil producing countries. There is an early June meeting scheduled with OPEC+ countries to discuss maintaining the

current supply cuts. If the supply cuts are extended and the country & world continues to open more, there could be continued upward movement for oil as demand increases.

Propane prices have also found strength in the past month moving up almost \$.15 since the end April. As you can see from the chart below Midwest propane stocks consistently begin the build season at around 10 million barrels and build to around 28 million barrels going into the heating season.

The concern is that the Midwest will not see the typical summer builds in propane and not reach the



28 million barrel point as previous years. The main reasons the Midwest may not see the builds is because of the number of wells being shut in and refinery runs being down effecting the propane production.

Gateway FS has started its summer fill program for its patrons and will run thru August. Summer is typically the best time of the year to get your tank filled when prices are typically lower. As always Gateway FS

has a number different LP programs and sure there would be one that would fit your needs. If there are any questions on any of our programs we offer please call 618-282-2174 and we will be happy to answer them.

Nitrogen in Corn

- Nitrogen loss may have occurred in fields where UAN solutions were applied or nitrification inhibitors were not used.

- Delaying N applications too late into the growing season may result in disappointing yields, and a greater risk of having residual N in the soil profile after harvest.

- All sources of post-applied N are equally effective when managed properly.

- The burn from broadcast post-applied urea is not necessarily a direct fertilizer burn.

The spring of 2020 is off to a cool and wet start in some areas. For those fields that received fall or spring nitrogen in addition to a nitrification inhibitor, the concern for nitrogen loss should be minimal. However, in fields receiving UAN as 28% or 32%, up to a quarter of the total nitrogen applied could be lost. The mechanisms by which N can be lost include leaching below the young root system, or through denitrification, which results in gaseous loss to the atmosphere. Soil testing that includes analysis for $\text{NH}_4^{++}\text{-N}$ and $\text{NO}_3^{--}\text{-N}$ will reveal the extent of these losses.

Post N applications as either urea or UAN solution, provide a great opportunity to include sulfur in AMS or ATS to meet early season crop needs. Much of the $\text{SO}_4^{--}\text{-S}$ form of sulfur that was applied either last fall or early this spring, may have also moved below the young crop's root system. Persisting light green coloration to the crop canopy may indicate sulfur deficiency. The ideal ratio of nitrogen to sulfur in the growing crop is 15:1, while ratios of 20:1 or greater indicate a deficiency. Undetected sulfur deficiency in the crop treated with additional nitrogen application can lead to greater sulfur deficiency. This is due to the codependency of these two nutrients for chlorophyll production and protein formation.

When is a good time to plan for post-emergence N applications? There is no reason to delay post-emergence N applications on medium-to-heavy textured soils. As soon as field conditions allow, post-emergence N should be applied. Nitrogen must move into the plant

with soil water. The longer a post-application of N is delayed, the greater the risk of not receiving adequate rain to get the N into the plant. Delaying N applications too late into the growing season, may result in disappointing yields (N deficiency), and a greater risk of having residual N in the soil profile after harvest, depending on soil moisture conditions after any delayed applications. Unless water can be controlled, typical mid-season rainfall in the central part of the Midwest is impossible to predict, and delaying N applications may be risky.

Is one source of post-applied N better than the other? A pound of N is a pound of N whether applied as urea, UAN or anhydrous ammonia. All sources of post-applied N are equally as effective when proper management of the source is considered. Marketing and infrastructure (equipment capabilities and fertilizer storage) are usually the reasons one source is favored over the other, not because of performance.

What type of burn should be expected from post-applied urea? The burn from broadcast post-applied urea is not necessarily a direct fertilizer burn. Symptoms will usually develop a day or two after application and will be more obvious on the newer



Leaf marginal burn from post-emerge applications of urea treated with NBPT.

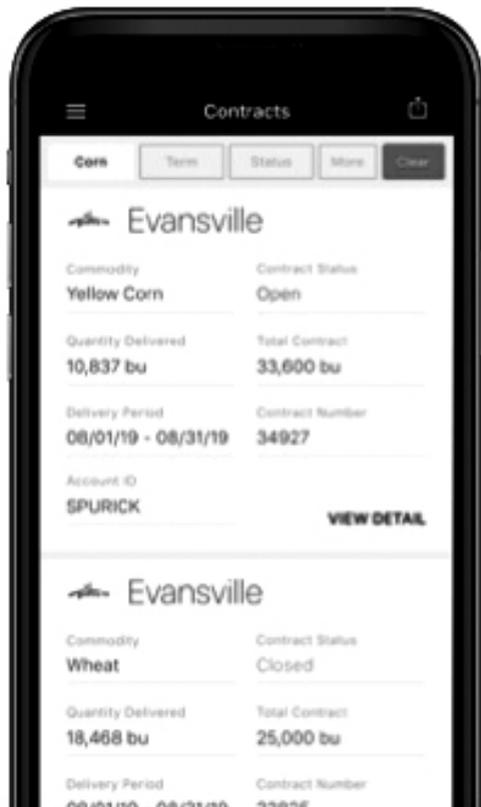
leaf tissue (leaf after application). The burn will be associated with leaf margins. The exact mode of burn has yet to be defined but is thought to be related to N accumulation at the leaf margins. This accumulation is due to the evaporation of water carrying urea at the leaf's edge, reaching levels high enough to induce the characteristic marginal scorching. The degree of leaf margin burn appears to be related to the temperature and humidity the day of and after the application. The leaf burn is nearly always cosmetic (if apparent) and no yield loss should be anticipated.

What forms of post-applied

nitrogen match BMP's for N use? All forms are in-line with N-BMP's. Urea or UAN treated with a NBPT based urease inhibitor (e.g. Agrotain) and surface-applied, are a safe and reliable option for post-N applications to corn. Consistent yield response of broadcast post-applied urea with NBPT has been documented over the past five years, where supplemental N was needed. Broadcast urea is evenly distributed and readily available to corn roots once carried into the soil surface by rainfall. If the corn plants will respond to supplemental N applications, urea treated with NBPT will not be disappointing. UAN

likewise is still a reliable source of post applied N, and remains a popular choice. UAN and NBPT dribbled between the rows does take a little longer for corn roots to reach it as roots need to grow and the UAN needs rain to disperse it from the point of application. Anhydrous ammonia remains an old standby. Anhydrous ammonia applied as a liquid quickly dissipates in the soil to a gas as it quickly seeks out soil moisture to associate with. Once dissipated and in soil solution it is readily available for plant uptake.

Contact your local FS Crop Specialist for more information.



NEW! Gateway FS App

The Gateway FS app is available for download! The **FREE app** will allow you easy access to information including electronic scale tickets, contracts, commodity balances, cash bids, futures, push notifications and eSign for contracts.

Enjoy easy access to:

- Scale tickets
- Contracts
- Futures
- Cash bids
- Commodity Balances
- eSign
- Settlements



FREE DOWNLOAD FROM THE APP OR PLAY STORES

Valuable Eyesight

By Brian Garleb

This month's article I am going to talk about eyesight and how valuable it is. Now I know most of my customers have some type of pressure washer, rather it's 1000 to 4500 psi. Nobody thinks about their eyes until it's too late. Here is an example, you dropped the pressure wand and the chemical you are using ends up in someone's eye. Next, you point your pressure wand at a surface you want to clean and when the pressure hits paint chips, gravel dirt, become airborne and hit you right in the face. Here is a statement from National Institute for Occupational Safety and Health, 2000 workers a day have eye injuries that require medical treatment. So this is very serious. Rather you think so or not the pressure washer as the power even if it is only 1000 psi to kick up cement chips, metal slivers, rusty nail bits, and anything laying where you or working. Just think if you would have this happen to you the loss of vision that you wouldn't be able to get back. I know a lot of you have shops where you work on different equipment. Well you know there are oils, chemicals, cleaning solvents and many other hazards you don't even think of until you start washing with your pressure washer and then bang it gets in your eyes. The truth is that goggles are necessary and should be worn in any situation when eyes could be injured.

Next, goggles do not have

to be bulky and uncomfortable. Some goggles on the market offer features that are perfectly tailored to individual in the pressure washing industry. Here is an example, when using a pressure washer it is necessary to have goggles that offer ventilation or fog resistance because foggy goggles can lead to accidents. You see the heat from the water as well as the humidity in the air can cause goggles to stream up. So as customers you should look for goggles with indirect vents which will allow airflow while at the same time keep the debris away. Like everyone else, if it is not comfortable and doesn't fit right you won't wear them.

Finally, I would like for you to know that when you pressure wash you goggles should be hard enough to resist impact yet flexible enough not to shatter. Eye protection should be made of shatterproof polycarbonates NEVER GLASS. PROPER EYEWEAR CAN PREVENT LOSS OF VISION OR SERIOUS INJURY. Remember that when it comes to eyes, you should treat yours as invaluable and protect them accordingly. I hope this article will help save someone's eyes from getting hurt. If you need answer to the eye protection I will be happy to help. I am still giving proposals on any job you might be thinking about having painted next spring. You can email me at bgarleb@gatewayfs.com or call 618.972.9516.

Grain Remarks

By Adam Parker

Grain markets have struggled since the coronavirus outbreak in March but have appeared to finally stabilize over the past couple of weeks. As we enter the U.S. growing season for corn and soybeans, there are several moving pieces that the market will be paying attention to.

As crude oil was making headlines at the end of April for trading down to historic lows, ethanol plants across the country have been idling production due unprofitable margins created from the coronavirus shelter in place which has less cars on the road. This has been a negative factor for the corn market as ethanol consists of nearly 40% of the corn demand in the United States.

On May 12th, the USDA released their first official estimates for the upcoming 2020/21 crop year. The USDA is projecting a record U.S. corn crop of 16 billion bushels which would create a surplus of 3.3 billion bushels, the largest carryover since the 1980's. Soybean carryout, on the other hand,

is estimated at 405 million which is the lowest carryout since 2016. The lower soybean surplus is due to less planted acres this spring along with an increase in exports as China has become a buyer of U.S. soybeans again after the trade agreement.

With the current planting progress for corn and soybeans slightly ahead of the 5 year average, markets haven't doubted the USDA's production estimates.

After trading near the highs of the year in April, the wheat market has declined due to the low corn prices. It does appear, however, that wheat prices have bottomed out and could recover slightly as we head into harvest.

Overall, the U.S. economy appears to be slowly rebounding and we are also entering the time of year where there is always a weather scare at some point. Currently, the funds are short (sold) the corn market on 240,000 contracts which is a very sizable short position for this time of year. Many expect funds to buy back some



of their positions which could help corn prices over the next couple of months.

During wheat harvest you can stay informed on our elevator's harvest hours as well as the markets by downloading the NEW Gateway FS app! You can also check out our weekly grain market webcasts by visiting www.gatewayfs.com. Feel free to call Michael Biethman, Phil Saale, or myself at the Red Bud office @ 618-282-4000 with any pricing offers or for any market information you may be looking for. We appreciate your business, and look forward to serving you in the future!

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buy local*

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Contact your local FS Propane Specialist today!

