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MFA OIL

Spring 2019

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On the Cover: Barb Shatto leads Shatto Milk Company, a vertically-integrated family farm that bottles its own milk and sells directly to supermarkets. *Photo by Dan Videtich.*

A Change in Leadership

AT THE MFA OIL COMPANY BOARD OF Directors meeting on April 24, a decision was made to take the leadership of the cooperative in a new direction, and Mark Fenner was relieved of his duties as president and CEO. Jon Ihler, MFA Oil vice president of sales and marketing, has been named interim CEO and will lead the company forward during this time of transition.

Marion Kertz, Chairman of the Board

The board appreciates all of Mark's contributions during his five years leading MFA Oil, but we felt the decision to part ways was in the best interest of the cooperative, its farmer-owners and employees. Mark's vision for the company simply did not align with the board's view. We want the company to renew its focus on providing the highest level of customer service and improving employee morale. These principles have been hallmarks of our company's business practices since 1929, and that will never change.

Employee job satisfaction is a priority area for the Board of Directors. Our employees do fantastic work to supply the energy needs of our farmer-owners and customers. MFA Oil would not have been as successful as it's been these past 90 years without dedicated, hardworking people. We are committed to ensuring our talented employees have the support and tools they need to take the co-op into the future.

Jon is a seasoned leader, and the board has great confidence in his ability to provide continuity and stability to the company until a permanent chief executive is ready to be named. His extensive experience with the company, including various management roles, makes him well qualified to lead MFA Oil forward. Jon is deeply committed to the co-op, and we believe we are in good hands.

We take seriously the stewardship of this great cooperative – which was created by our grandfathers and kept going by our fathers – and we believe MFA Oil is well-positioned to continue to serve the next generation.

Cooperatively,

Marion Kertz
Chairman of the Board

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This magazine comes to you courtesy of MFA Oil Company, a farmer-owned cooperative providing energy solutions to customers for 90 years. We deliver high-quality propane, fuels and lubricants to farmers and other customers across an eight-state region stretching from Indiana to Kansas. *Momentum* is an information service for farm families, published by MFA Oil.

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Caring Canines

THERE'S SOMETHING ALMOST magical in the way dogs can bring smiles and joy to people, young and old alike. Just ask Diane Hudson, a veteran MFA Oil dispatcher who has worked in the company's corporate office in Columbia since 1981. In her spare time, Hudson trains her beloved pooches to act as therapy dogs within the community, and she shares their love and affection with those who need it most.

"As an empty nester, I felt like I needed something to do after my kids left for college," Hudson says. "I always had dogs growing up, so I thought it would be nice if I could combine my love for dogs with a way to help others."

Hudson has two energetic German shepherds, Callie, 6, and Max, 1. Knowing that the German shepherds are prone to boredom, Hudson thought training would help to keep her cuddly canines busy. She decided that obedience training and instructional programming provided by Therapy Dogs International would be a great way to provide purpose for her dogs while simultaneously allowing her to volunteer her time. Callie has been a certified therapy dog for a number of years, but Max is just a pup and still in training.

Brightening Moods

Hudson began her dogs' training at a local canine obedience school and met fellow dog owners with whom she and Callie now travel. The handlers and their four-legged friends provide comfort to and help raise the spirits of those they encounter around mid-Missouri.

They regularly visit Harry S. Truman Memorial Veterans' Hospital, Rusk Rehabilitation Hospital and Boone Hospital Center in the Columbia area, in addition to trips to Moberly Regional Medical Center in Moberly, Mo., and the Callaway County Circuit Court in Fulton, Mo. The group also visits local grade schools and attends Reading with Rover at the Boone County Public Library.

Diane Hudson, a senior dispatcher with MFA Oil Company, has trained her German shepherds, Max, 1, and Callie, 6, to serve as therapy dogs.

> Research has shown that canine-assisted therapy can do wonders to improve a person's mental, physical and emotional well-being. The dogs can reduce anxiety and stress, lower blood pressure and improve morale.

The practice of training therapy dogs began in the 70s when a nurse named Elaine Smith noticed her patients showed improvement when the local pastor would visit and bring his Golden Retriever. Research has shown that canine-assisted therapy can do wonders to improve a person's mental, physical and emotional well-being. The dogs can reduce anxiety and stress, lower blood pressure and improve morale.

"It's a great feeling to know you have made a difference in someone's day or brightened their outlook," Hudson says.

Rewarding Experiences

Dogs, like their owners, have their own preferences for the types of work they perform. Callie, for example, prefers to interact with children.

"I try to let Callie do as much of what she likes best," Hudson says. "Kids light up when they see Callie enter the room, and she loves them right back."

While the smiles Callie conjures on the faces of the people she visits is heartwarming to Hudson, it's sometimes the more subtle reactions that carry the most weight.

"We've visited patients with brain injuries, and you will see a spark in their eyes or an uptick in their heart rate when they interact with your dog," Hudson says. "It's pretty amazing."

— BY MEGAN HILL

MAKING MILK GREAT AGAIN

By Adam Buckallew • Photos by Dan Videtich

As Barb Shatto strolls through the freestall barn where dozens of her family's dairy herd are busy feeding, she occasionally pauses to greet friendly cattle. "How are you doing this morning?" she asks while bending down to affectionately scratch behind the ears of a curious Holstein.

This ritual plays out daily on the farm in Osborn, Mo., that's been in Barb's family for more than a century, but its continuance was in doubt 16 years ago.

In 2003, Barb and her husband, Leroy, were struggling to keep the dairy afloat. The price they were being paid for their milk was not enough to cover their expenses, and the couple faced a difficult decision: they could either sell the dairy or risk everything by betting on themselves and drastically changing their operation.

"At the time, we were getting paid the same price for our milk as my father had been paid 20 years earlier," recalls Barb, owner and president of Shatto Milk Company. "We knew we had to do things differently if we were going to survive."

A Bold Plan

Unwilling to give up, the Shattos went all-in on a new approach – transforming their traditional dairy into a milk company. Instead of selling their raw milk to a dairy co-op, Barb and Leroy chose to bottle their own milk and sell it directly to supermarkets.

Cutting out the middle man offered the Shattos the opportunity to set their own milk prices, but the path was also fraught with uncertainty. A sizable loan was needed to build a processing plant, outfit it with the necessary equipment, and acquire the trucks that handle the dairy's deliveries.

Matt Schapelar, who works as the dairy's farm manager and senior herdsman, still marvels at the guts and determination it took to embark on such an undertaking.


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"It's a massive gamble with major risks to do something like this, because if you don't find a market for your milk, you are going out of business in a hurry," Schapelar says. "Once you leave a milk cooperative, you burn that bridge as soon as you cross it. They are now your competition, and you've got a product with an incredibly short shelf life that needs to be sold."

Convincing a lender to back the Shattos' vertical integration idea was among the harder parts of setting the plan in motion.

"Most banks just didn't have any interest in talking to us, much less any other dairy farmer," Barb says. "They told us there was no money in it. But, finally, we found a local bank that believed in us."

When the Shattos began to independently market their milk, they had 80 cows and were supplying only eight stores. However, their milk quickly caught on with consumers, and it wasn't long before their demand began to outpace their production. By the end of their first year of business, the Shattos had doubled their herd and their products were being sold in 44 stores. Today, they work with more than 100 retail outlets and are milking 300 cows.

Despite the larger herd size, Schapelar says the dairy still can't ship milk fast enough to keep up with stores' requests.

"We get calls all the time from supermarkets wanting more milk," he says. "I guarantee we haven't even touched the bottom of the barrel on the demand side, but our production is pretty much maxed out at the moment with the facilities we have."

Standing Out

There's no mistaking the milk that comes from Shatto Milk Company with other options in the dairy cooler at grocery stores. The Shattos knew they needed something to set their milk apart and selected sleek glass bottles with a nostalgic vibe. Besides looking great on the shelf at stores, Barb says the retro bottles keep milk colder than plastic jugs or paper cartons and milk in a glass bottle simply tastes better because there is no taste transference.

The Shattos adorn each bottle with their logo and a large single word like "Local," "Family," "Pure" and "Yummy" inscribed in black lettering.

"We keep our branding really simple," says Barb. "We're local, our dairy is family-owned and the milk is always fresh. That's what we are all about and it resonates with our customers."

All the dairy's milk is sold within a 100-mile radius of the farm with most of it heading about an hour down Interstate 35 to Kansas City, Mo. The farm's proximity to the Kansas City metro area and nearby St. Joseph, Mo., allows the Shattos to tap into the growing consumer demand for local foods.

"Most of our milk goes from the cow to the consumer in 24 hours, and many times our trucks are waiting for us to process our milk before they can deliver the next load because the stores have already sold out," Barb says. "You can't get milk fresher than that unless you have a cow in your backyard."

TOP: Holsteins make their way from the barn to the milking parlor at Shatto Milk Company. Most cows in the herd are milked twice a day. BOTTOM LEFT: Barb Shatto, president of Shatto Milk Company, says most of the dairy's milk goes from the cow to consumer in 24 hours or less. BOTTOM RIGHT: Drew Bubulka, assistant herdsman, and Matt Schapelar, farm manager and senior herdsman, see to the care of the Shattos' cows. OPPOSITE PAGE: The Shattos research and develop their own products like aged cheeses. Farm tours are popular and have helped the Shattos connect with their customer base. Approximately 150,000 guests visit the farm each year.

Fascinating Flavors

Barb says one of the keys to building the brand's customer base has been putting a fun twist on dairy products. Non-traditional milk flavorings like banana, cotton candy, root beer, and cookies and cream, in addition to classics like chocolate and strawberry, are popular with all ages.

To celebrate the milk company's 10th anniversary, the Shattos introduced new limited-edition flavors like blueberry, apple pie and birthday cake each month of the year to much fanfare.

Special releases tied to events like the Kansas City Royals World Series championship and welcoming Kansas City Chiefs quarterback Patrick Mahomes to the area have been hot commodities.

The "Mahomes" milk, which had a red velvet flavor, came in a bottle emblazoned with yellow lettering and red tinted milk that matched the Chiefs' colors. Shatto fans lined up at grocery stores and the dairy for their chance to buy one of the bottles.

"People were following our delivery trucks to get the red velvet milk," Barb says. "It sold out like wildfire within 45 minutes everywhere it was available, and we received hundreds of calls about it."

The Shattos have gradually expanded their portfolio of products. In addition to milk, they sell cheese curds, aged artisanal cheeses, ice cream, butter and bottles of non-dairy drinks like lemonade and fruit punch. Many of their products have received top honors at international dairy competitions like the World Dairy Expo.

The Shattos research and develop all of their own products and are currently working on string cheese and a line of spreadable cheese dips they hope to release later this year.

Dairy Destination

On an overcast early spring morning, a throng of teenagers has descended on the Shattos' farm. The students have been bussed up from Oak Park High School in Kansas City for a field trip, and they are not alone. A group of parents escorts their toddlers around the premises. It's all part of a normal day on the dairy where tours are conducted by appointment five days a week.

From the get-go, Barb knew she wanted to offer tours of the farm and milk bottling facility and open a country store for visitors. Though Leroy was initially skeptical, Barb won out and now the Shattos host 150,000 guests on their farm each year.

"The tours help our customers to see how much we care for our cows and what it takes to prepare our products," Barb says. "They've also been instrumental in creating customer loyalty and provide us with opportunities to gather valuable feedback."

The Shattos have gradually expanded their portfolio of products. In addition to milk, they sell cheese curds, aged artisanal cheeses, ice cream, butter and bottles of non-dairy drinks like lemonade and fruit punch.

For $6 per person, guests are guided on an hour-and-a-half-long tour that includes a stop in the dairy's milking parlor, an opportunity to milk a cow, and visits to the calf barn and processing plant before concluding in the country store where milk samples are available.

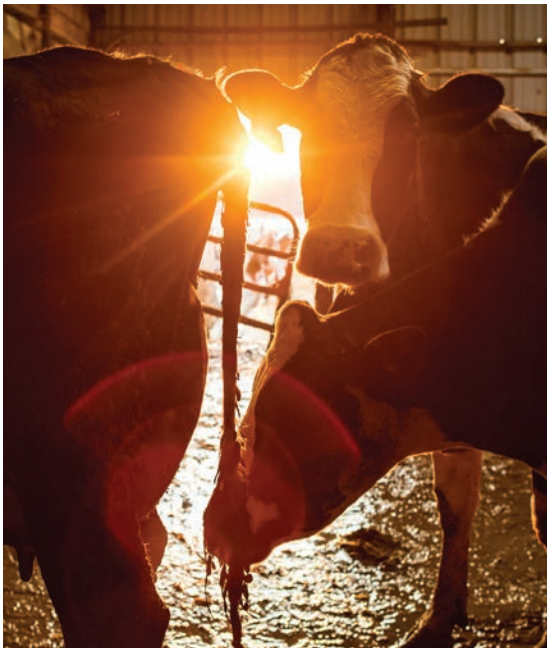
Built to Last

As the company has grown from a two-person operation to one that employs 50, the Shattos remain grounded and committed to continuing to please their legion of dairy devotees.

"We're just simple people who love what we do," Barb says.

Barb credits her parents, Ivan and Georgia Cox, with instilling in her the values and work ethic she has relied upon to keep their family's farming legacy going strong. She and Leroy have been careful to pass those same standards on to their son, Matt, who runs the family's home delivery business, which launched in 2015.

"Someday this will all be Matt's, and we're hoping his three sons will carry on the tradition," Barb says. "We've got the milk company, the home delivery business and Matt's in the process of creating a third business. Our intent is to eventually have a piece of the pie for each of our grandsons."



'A CONSTANT NIGHTMARE'

Flooding and Questionable River Management Priorities Put Farmers in a Tough Spot

Photo by Missouri State Highway Patrol

By Adam Buckallew

Doug Shepherd made a final attempt to harvest his stranded soybeans in mid-April, but he was forced to concede the remnants of last year's crop were a lost cause. Shepherd's fieldwork has been bogged down by seeping water from the nearby Missouri River since last fall, and at this point, he wonders if the fields will ever dry out and how much land he will be able to plant this spring.

"There's about 140 acres of soybeans that have yet to be harvested, but I had to turn around when I saw the equipment was cutting two-foot-deep ruts in the field," he says. "It's questionable if we will be able to plant even half our acres. If we have another flood event that pushes the groundwater table any higher, it could be less than that."

Though the catastrophic flooding that drowned large tracts of land in Nebraska, Iowa, Missouri and Kansas did not overtop or breach the levees along the Missouri River where Shepherd farms just south of St. Joseph, Mo., the persistent flood waters have taken their toll. When the waters are high, it puts pressure on the levees and drives groundwater below the earthen embankments. If seeping water flows below a levee long enough, it will begin to wash out the foundation.

"There's a blanket of sand at the base of every levee," explains Shepherd, who is president of the South St. Joesph Levee District. "If you start to see sand bubbling up in your field, that's what we call a sand boil, and it can eat away at a levee and destroy everything."

Always Pumping

A full month has passed since record-breaking floodwaters first swept down the Missouri River in March, and portions of Virgil Crockett's farm ground near Rushville, Mo., are still swamped. He's been busy pumping seepage water off his land and constructing sandbag rings around sand boils to prevent the levee protecting his fields from failing.

"We're always pumping water, and the only time the pumps aren't running is when we stop to change the engine's oil," Crockett says. "With the river running as high as it does these days, we are dealing with seepage that just won't go away. It's out of control."

Crockett and Shepherd say the endless pumping is a massive drain on the limited financial resources of their levee districts. Crockett serves as a board member on the Halls Levee District – which protects 18,000 acres along 18 miles of the river between Rushville and St. Joseph – and says in the last year, they spent $60,000 solely on fuel to power their pumps.

"We were in a drought last year and we still pumped water all summer long because the river was running at such a high level," Crockett says. "It never used to be like that before. Now, it's a constant nightmare."

Crockett expects he will be unable to plant a crop on a quarter of the acres he farms this year due to the river flowing at an average elevation of 18 feet – about a foot above its flood stage – throughout the spring and summer. He says that number would be higher if he didn't have a fair amount of farmland on higher ground. Many of Crockett's neighbors aren't so lucky, including those who were inundated by the historic March flooding that breached at least 114 levees and caused an estimated $3 billion in damage along the Missouri River Basin.

"If your levee is breached, the floodwaters drop so much sand and debris on your fields that it's hard to recover," Crockett says. "You've lost that year's potential income, and maybe the next. On top of that, you're looking at some expensive cleanup work."

Flood Debate

Crockett, Shepherd and other farmers say changes made to the Missouri River Master Manual in 2004 – specifically those that call for greater protection of endangered species – have led to more frequent flooding and higher river elevations. The U.S. Army Corps of Engineers is authorized by Congress to manage the river while following eight recognized objectives: flood control, navigation, hydropower, water supply, water quality, irrigation, recreation, and fish and wildlife.

The latest deluge has renewed the debate about how the Corps should prioritize those objectives.

Iowa Senator Joni Ernst hosted and chaired a field hearing of the U.S. Senate Environment and Public Works Committee on April 17 in Glenwood, Iowa, where the Corps faced hard questions about its river management practices.

"This trend of flood and rebuild, flood and rebuild must end," Ernst told Corps officials.

"It seems to me that misguided decisions and misplaced priorities have eclipsed common sense," remarked Senator Chuck Grassley of Iowa, who was also on hand for the hearing. "The number-one priority of the Corps should be flood control. Period."

Earlier this spring, northwest Missouri Congressman Sam Graves introduced a bill in the U.S. House of Representatives that would remove fish and wildlife as an authorized management priority on the Missouri River and make flood control the highest priority.

Photo by U.S. Senator Chuck Grassley

Photo by Missouri Governor Mike Parson

The bill would require revision of the Missouri River Master Manual within 90 days of enactment.

"Time and again, we continue to see fish and birds take precedence over people and property when it comes to managing the Missouri River," Graves said in a statement. "This latest round of flooding has devastated communities up and down the river. We already know that the management practices are contributing to it."

Ominous Outlook

While much of the flooding that occurred in March has receded, the threat is far from over. The National Oceanic and Atmospheric Administration's (NOAA) spring weather outlook warns the likelihood of major flooding along the Missouri and Mississippi rivers will linger for much of 2019.

"This is shaping up to be a potentially unprecedented flood season, with more than 200 million people at risk," Ed Clark, director of NOAA's National Water Center in Tuscaloosa, Ala., said in a news release.

Back in St. Joseph, Shepherd is all too aware of the challenges farmers and others living in the flood plain will face in the coming months.

"All the reservoirs upstream are full and there's still a lot of snow that's yet to melt," he says. "I'm scared to death of what will happen. This year could make the flooding we saw in 2011 look like a cake walk."

'GREEN NEW DEAL' WOULD BE A RAW DEAL FOR MISSOURI FARMERS

By Andrew Wilson and James Seeser

Suppose the "Green New Deal"—endorsed by several presidential contenders—becomes the law of the land. How would a law that bans fossil fuels touch the lives of real people in Missouri? To take just one example, how would it affect Missouri farmers?

Under this plan, the federal government would commit to a 10-year crash program to achieve the goal of meeting "100 percent of power demand in the United States through clean, renewable, zero-emission energy sources" by the year 2030.

If called upon to do so, would Missouri farmers be ready to switch to electric tractors, combines, and other farm machinery in order to reduce their carbon footprint to the vanishing point?

We can answer that question with an unequivocal, "No."

First of all, there are no Tesla-like, battery-powered farm vehicles on the market today that could begin to replace today's machines in doing the heavy-duty, energy-intensive work of ploughing, seeding, weed control and harvesting. Electric-powered substitutes for today's diesel-power machines do not exist—and even if they did, other problems would prevent instant and widespread use.

There would be no way to efficiently charge such farm machines and keep them charged, short of rebuilding Missouri's entire electrical grid to allow for the fact that every farm with a fleet of one tractor, one large planter and one combine or cotton-picker would consume electricity on the same scale as a small town or factory.

To understand the physics, consider a conservative estimate of the electrical requirement of a hypothetical electrical combine that replaces a typical grain combine that weighs 15 tons, consumes 15 gallons of diesel fuel per hour and is often used about 16 hours a day during harvest, with an engine that delivers just under 250 kilowatts of continuous power.

To do the same work, the electrical combine would have to carry the equivalent of 3.5 Tesla batteries (4,400 pounds) for every hour of continuous use, or 28 Tesla batteries to go eight hours without recharging. The combined weight of all those batteries would be 17 tons, making the electric combine significantly heavier than the piston-driven combine.

Since the recharge time has to be short (a farmer bringing in a harvest can't afford to waste time), suppose the electric combine "fast charges" in 20 minutes, an optimal time suggested for electric cars. The charging station and related infrastructure (i.e., power generation and distribution) would have to supply in the vicinity of six megawatts of power during the recharge period!

In short, to recharge a single combine on one of Missouri's 100,000-plus farms would require the same power output as three of today's 2-megawatt wind turbines. To put it another way, the infrastructure needed to recharge a single combine would also be capable of supplying electrical power to about 4,500 homes.

The "gift" of heavily subsidized (and just plain heavy) green machines would leave Missouri farmers much poorer than they were before. They would be saddled with machines that bogged more easily in the mud because of the extra weight of carrying a multitude of Tesla-like batteries. That's not all. Barry Bean, a cotton-grower in the Bootheel, shudders at the thought of long lines of farmers with their tractors and cotton-pickers at the end of a long day: "We all work the same hours and we'd all be coming in at the same time."

Here is a final consideration—a final irony. How does Missouri get its electric power? Three-quarters of our electrical energy comes from burning coal, and another five percent comes from natural gas–fired plants. So, even with the electrification of agriculture, we would fall back on fossil fuels to provide a good deal of additional electrical generating capacity.

Andrew Wilson is resident fellow and senior writer at the Show-Me Institute. James Seeser, who earned a PhD in physics from the University of Missouri at Columbia, is a longtime supporter of free markets.

Rejuvenated by Fire

Photo by James Nedresky

EACH SPRING, INFERNOS BLAZE across large swaths of the Flint Hills, consuming everything in their path. While fire would be cause for concern in most areas, on the nearly 10,000 square miles of rocky, unplowed prairie that stretch from eastern Kansas to northern Oklahoma, the flames are a necessity.

The Flint Hills represent one of the last remaining vestiges of the tallgrass ecosystem that once covered the Midwest. If it weren't for annual burnings, the sea of swaying native grasses and wildflowers that cover these rolling hills would be shaded out by cedar trees and shrubs in as little as 30 to 40 years. That's why area ranchers torch portions of the prairie every spring to keep woody invaders at bay and preserve the natural ecology.

While cattlemen have been setting fire to their pastures for more than a century, they are simply ensuring the natural phenomenon that has shaped the prairie for thousands of years is continued. In the distant past, lightning strikes would ignite the plains. Native Americans began scorching the prairie once they realized the fires promoted new grass growth that attracted herds of buffalo. Now, it's not uncommon for Flint Hills ranchers to conduct controlled burning on 2 million acres or more for similar reasons.

These highly organized and carefully monitored fires are an essential practice of grassland management. Ranchers burn their pastures two to three years out of every five to rejuvenate the big bluestem, Indian grass, switchgrass and up to 90 other grasses native to the region. The lush grass that sprouts in the ashes is packed with nutrients that help cattle gain more weight than they would from grazing on land that had not been burned. The fresh, verdant grasses are counted upon to feed the million or so cattle that graze in Flint Hills pastures annually.

Pigs on Pasture

Story & photos by Jason Jenkins

Raising Heritage Breed Hogs Outdoors Links Past and Present for Norton Farms

For the Norton family, tradition runs five generations deep in the rolling hills just outside Plattsburg in northwest Missouri's Clinton County. Since 1884, the family has followed the same farming formula for success.

"You need to be diversified," says 73-year-old David Norton, who today operates Norton Farms in partnership with his son, Eric. "That's the way I learned it."

It was a lesson brought about by adversity and ingrained by years of perseverance. Today, it manifests itself in the family's 5,000-acre operation, which includes 3,000 row-crop acres, a 200-head Angus cow/calf herd and a 500-sow farrow-to-finish hog operation. It's this last piece to the Nortons' diversification strategy that sets them apart.

Tradition dictated they raise their hogs outdoors on pasture as they have for decades. Diversification dictated that they do it differently in order to succeed.

"We competed on the commodity market for 30 years, but you can't make any money that way. We're too small. All the money we'd make in the summer, we'd give it all back in the winter," explains Eric, the fifth generation of the family to operate the farm. "So, seven years ago, we started raising Berkshire hogs, and two years ago, we joined a non-GMO program. It was either do that or get out of the hog business.

"Now, we have a steady market, and it's a lot more profitable," he adds.

Today, the farm annually raises roughly 7,500 Berkshire hogs, most destined for the meat counter at Whole Foods Market locations across the region. Getting them there requires adherence to a set of strict guidelines combined with years of animal husbandry experience in the elements.

Depression Lessons

According to Norton family history—chronicled in "The History of Northwest Missouri: Volume 2," published in 1915 and edited by Walter Williams, founder of the world's first school of journalism at the University of Missouri—Asa Norton, Eric's great-great grandfather, was born in Ohio and was a "gallant soldier" in the Union Army during the Civil War. During his service, he received a wound on his shoulder from a saber.

After the war, he moved to Lebanon, Ind., and married Sarah J. West. The couple headed west to Missouri in 1872, eventually settling in Clinton County in 1884, where they would "improve a valuable farm." The couple had two sons, including William W. Norton, who was born in 1873.

William established his own successful 235-acre farm 4.5 miles northeast of Plattsburg. He married Annette "Nettie" Transue in 1900, and they also had two sons: William Ralph, who died in 1923 at the age of 19, and Robert Rea. Regarded as "people of thrift and wholesome character," their home was described as one of the social centers for the Plattsburg community.

"The Norton home is well furnished, occupies a pleasant site, and all the surroundings are in keeping with business-like agriculture," recounts the 1915 history book. "Mr. Norton has considerable bottom land, and about ten acres in alfalfa. He raises stock, pastures a number of head of cattle, and has a reputation among the neighbors for almost invariable success in all his ventures."

That success came crashing down along with the stock market in 1929 and the Great Depression that followed.

"My grandfather lost almost everything," David recalls. "All that was left was what my great-grandmother had."

Robert Rae, David's father, was 18 years old when the stock market crashed and he watched his father's agricultural endeavors succumb in the economic downturn that followed. He vowed to get the family farm back, and with the help of his sons, David and Wesley, he did just that by the 1960s.

David and Wesley attended the University of Missouri and received degrees in animal husbandry and agricultural economics, respectively. They returned to the farm and continued expanding their family's operation. Robert Rae lived to the age of 91 and was able to witness his grandson, Eric, join the operation as a partner. Today, Eric and wife, Melissa, have two children—5-year-old Dylan and 2-year-old Milia—who represent the sixth generation of Nortons in the family's now-175-year farming legacy in Clinton County.

Heritage Husbandry

With more than three decades of experience raising commercial hogs outdoors, the Nortons had no reservations when they converted their drove to the Berkshire heritage breed in 2012. After all, the breed itself has a history as rich as the family's.

According to legend espoused by the American Berkshire Association, the world's oldest swine registry, the Berkshire hog was discovered by English military leader Oliver Cromwell more than 300 years ago in the county of Berks, home to the famed royal residence Windsor Castle. It is believed the first Berkshires were brought to the United States in 1823.

While overall leanness has been emphasized by the pork industry for years, Berkshire hogs produce a whole carcass that is well-marbled, making cuts such as hams, loins and shoulders more tender and juicier. Eric says when it comes to a taste test, there's no comparison.

"You can definitely tell the difference between one of our pork chops and one that came out of a finishing barn," he says. "Cook them side by side on the grill. Ours will be nice and juicy and flavorful versus a hard piece of leather."

Raising Berks is quite similar to raising other hogs outdoors. Bred Berkshire sows have a gestation period of three months, three weeks and three days—just like other breeds. The Nortons breed their sows twice a year so that farrowing is concentrated in the months of January and July. Typically, they run about 350 sows in the winter and as many as 500 in the summer.

"We try to avoid spring planting and fall harvest, so we end up farrowing at the hottest time and the coldest time of the year," Eric says. "Hopefully, we'll have 500 litters this summer."

The Nortons have kept their drove closed for more than 30 years to protect against inadvertently introducing parasites or diseases. To infuse genetic diversity, they employ artificial insemination to produce their own boars.

"We get the best Berkshire money can buy out of a bottle, and twice a year, we'll AI 15 to 20 sows," Eric explains. "We'll keep the boars out of those litters to serve as our breeding stock."

At farrowing, litters average around 12 piglets, though stillborn and other losses result in about eight piglets per litter that reach a weaning age of 6 weeks. Eric says the weather plays a significant role in how many piglets survive.

"That's our biggest concern—heat in the hundreds and below-zero, wet weather is what kills," he says, noting the stretches of subzero weather this past February and March reduced their winter average to seven piglets. "But, if you can get them from 6 weeks to 12 weeks, you've pretty much got it in the bag."

Predation by coyotes also can be an issue, especially in late winter when food becomes scarce and piglets are an irresistible temptation. Such was the case last March.

"If the sows are still with them, you're good, but once you wean, it's open season," Eric says. "We pulled the sows on a Friday, and the coyotes were already into them on Saturday."

Once weaned, the pigs remain outside on pasture and are fed out until they reach a weight of 250 pounds and head to market.

Old School in a New Way

While the Nortons don't market their pork directly to consumers, changes in consumer preferences and expectations about food and food production have led the family to raise their Berkshires following guidelines established by the Global Animal Partnership (GAP).

"The whole world is changing," Eric says. "It used to be no big deal what kind of corn or soybeans you fed, as long as the hogs made it to market at the right size. Now, everybody wants to know where their meat came from, what it was fed and how the animals lived."

Ironically, this "new" way of thinking ties in well with many of the Nortons' "old-school" husbandry methods. Eric says each animal is required have 9 to 12 square feet of space, which isn't an issue when raising pigs on pasture. Shelter and bedding are both requirements, too, and the Norton farm is dotted with hundreds of traditional, A-frame hog "huts" grouped together in little shanty villages — as has been the case for years. Recently, they also constructed a number of larger hoop houses to serve as shelter. Hay is used for bedding.

"We go through a ton of bedding," Eric adds. "We bed twice a week in the wintertime. If the weather's bad, we'll bed every other day."

The Berks are fed a diet of conventional corn and soybean meal. The Nortons grow and grind their own non-GMO corn—they expect to plant 1,200 acres this year—and they purchase non-GMO soybean meal. At the height of feeding, Eric says the pigs receive as much as 100 tons of feed per week, all of which is mixed on the farm. No antibiotics are allowed in the feed or the water supply.

Perhaps the biggest change is the amount of paperwork required.

"We actually get GAP audited once a year to keep our certification and make sure we're doing all the processes that everyone wants," says Eric, who turns 40 this year. "We record everything, from the weather every day to what they eat and when they eat it."

Of course, the pigs themselves know nothing of audits or requirements or certification. They're just busy being pigs.

"They eat, sleep, drink," Eric says with a laugh. "They roam and root, get into stuff and test the fences. Honestly, I wouldn't know how to raise them any different."

TEST FOR SCN, SOYBEAN'S SILENT KILLER

By Linda Geist, University of Missouri Extension

Data from MU researchers shows soybean cyst nematode (SCN) field populations are becoming more virulent on commercial soybean cultivars, says University of Missouri Extension plant pathologist Kaitlyn Bissonnette. Testing fields for SCN is typically conducted once harvest is completed; however, spring is not too late to send soil samples for analysis if it couldn't be done last fall.

SCN quickly began spreading in Missouri in the 1970s and gained a strong foothold in most of the state's soybean-growing counties by the 1990s. Easily transported by nature, cysts and eggs can be spread within a field or to new fields by soil, equipment, water or wind. Today, it is the No. 1 soybean disease in the United States and Canada.

Yields drop by as much as 14 bushels per acre in infected fields when SCN reproduction is high, according to the SCN Coalition, a public-private partnership of researchers, extension specialists and industry representatives. Populations can increase exponentially, with 100 females capable of producing 39,062 eggs after four generations in one growing season, assuming each female produces 250 eggs, only half become female and only 1 percent of eggs will survive.

SCN is difficult to detect without testing because damage occurs to the root system before it can be seen. Symptoms include stunted plants, yellowing and yield loss. Yield loss can occur even when there are no visual symptoms, Bissonnette says.

Nematodes are becoming increasingly resistant to PI 88788, the genetic source of SCN resistance used in about 95 percent of all SCN-resistant soybean varieties.

Bissonnette suggests two ways to test for SCN: Dig a month-old soybean plant, gently shake the soil from the roots and look for white females, or collect soil samples for testing.

Collect 15 to 20 core samples for every 20 acres. Cores should be 6 to 8 inches deep and an inch in diameter. Collect in a zigzag pattern and divide each field into management zones. Include high-risk areas such as the field entry, flooded areas, low spots and historically low-yielding areas.

For each collection zone, mix the core samples together. Moisture content is important. "It's difficult to get an egg count out of concrete or sludge," Bissonnette says. Ideally, cores will stay intact during collection, but will easily fall apart upon mixing. When in doubt, err on the side of dry.

Samples should be put in bags and labeled. If possible, mark down the GPS coordinates of the field where samples were collected, and then send the soil to a testing facility.

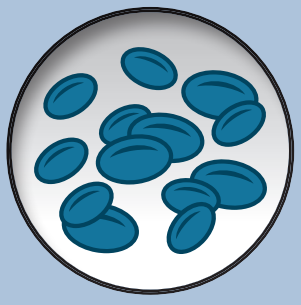
Know your baseline SCN egg count and test every three to five years, Bissonnette says. Comparing SCN egg counts tells you if your management plan is working long-term. She recommends working with crop advisers and extension agronomists in your area to develop a management plan.

Steps to Manage SCN

1 **Test fields to know SCN egg counts**

2 **Rotate to resistant seed varieties**

3 **Rotate to non-host crops**



4 **Consider using a nematode-protectant seed treatment**

For more information on SCN, visit www.TheSCNCoalition.com.

Ag Educators Series

Editor's Note: *Agriculture teachers play a crucial role in developing their students' understanding and appreciation for the agricultural industry. Momentum is launching a series of articles highlighting agricultural educators and the work they do to prepare the next generation's workforce for the production of the nation's food and fiber.*

'A FOCUS ON AG LITERACY'

When Scott Stone began his career as an ag teacher at Centralia High School in rural Centralia, Mo., 21 years ago, three out of every four students came from a farming family. Now, only 15 percent of his students come from the farm. As the demographics of his students have shifted, Stone has adapted his lesson plans.

"I try to meet the students where they are at in terms of their agricultural understanding and build from there," Stone says. "There's more of a focus on ag literacy than deep dives on specific topics like cattle breeds."

Stone grew up on a farm in Pennsylvania and originally intended to become a veterinarian before finding his calling in agricultural education. He was drawn to the opportunity to showcase agriculture as the backbone of the U.S. economy.

"With fewer farm kids, there's definitely a big gap in understanding how our food is grown, which can lead to fear and skepticism," Stone says. "I try to explain the process and give them an appreciation for the work of our farmers and ranchers and other career paths related to agriculture. I want all my students, regardless of their background, to be as informed as possible."

Stone teaches a variety of ag education classes, including plant science, animal science, and a greenhouse course that provides hands-on experience raising vegetables and poinsettias.

"There are lots of students who don't necessarily like traditional schoolwork, but the activities in our greenhouse and welding shop allow for a different type of learning that may be more appealing," Stone says.

Stone is one of three ag instructors at Centralia, and all three teachers serve as co-advisors with the school's FFA chapter. During the FFA contest season, which runs from January through

April, it's not uncommon for Stone to spend 80 hours a week teaching and preparing his students for competitions. While the days can be long, he appreciates the way FFA pushes his students to expand their horizons.

"FFA allows students to branch out into a wider community, and it pushes them into competitive situations where they can display their skills and knowledge while building their confidence," Stone says.

Another area where Stone's students gain real-world experience is through supervised agricultural experiences and work-based learning opportunities, such as raising livestock.

"All students are required to pick a project where they are keeping a record book, managing a budget, saving receipts and gaining a better grasp of finances," Stones says. "The projects give the students an idea of what they might like to do for a career and what they might not enjoy as much, which is also helpful."

As Stone's curriculum has evolved through the years, it's picked up more of a focus on science. He encourages his students to ask questions like 'What makes meat tough?' and 'What impacts plant growth?' and then helps them understand the underlying science.

"The world is looking for problem-solvers rather than just doers," Stone says. "There are going to be big food challenges in the future, and it's going to be important that we build trust in our agricultural production networks."

In December, Stone was honored at the 48th Missouri Governor's Conference on Agriculture as the recipient of the Missouri Agriculture Education Leader of the Year. The award recognizes teachers, advisors and leaders in primary, secondary and higher education systems for their outstanding instruction of youth in the Missouri agriculture system.

MFA Oil Company wants to recognize ag educators from across its sales territories for the amazing work they do to prepare the next generation of leaders in agriculture. We need your help in identifying the best ag teachers. Share the name of your favorite ag instructor and let us know why they deserve to be featured in Momentum magazine for the work they do on behalf of their students and communities.

Nominations should be sent to editor@mfaoil.com or mailed to:
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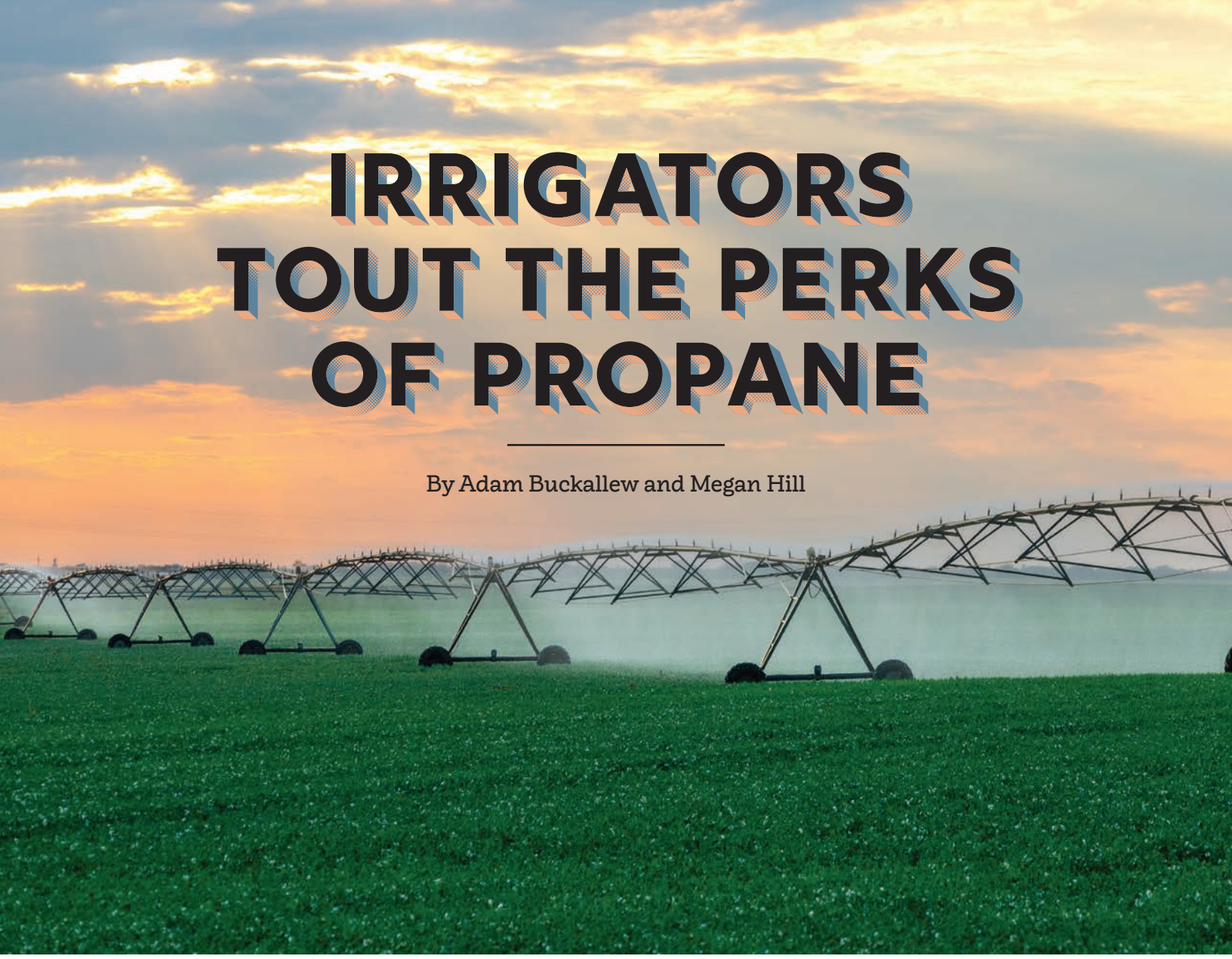

IRRIGATORS TOUT THE PERKS OF PROPANE

By Adam Buckallew and Megan Hill

Farmers are looking for any advantage they can find to improve their balance sheets as the agricultural economy remains mired in a five-year rut. In the quest to control costs and maximize efficiency, irrigators are increasingly turning to propane to power their pumps.

Robert Compton, an MFA Oil member and owner of Compton Irrigation in Lamar, Mo., says his propane-driven engines have cut operating costs significantly on his farm.

"My operating costs with propane are roughly half of what they would be with diesel," Compton says. "It's easy to justify buying a new propane engine because the savings allow it to pay for itself."

Data from the Propane Education and Research Council (PERC) shows Compton's experience is typical. In a 2013 survey of farmers who installed propane-powered irrigation engines, 56 percent reported they were able to cut their fuel costs compared with similar diesel-powered engines. Farmers who participated in the study also reduced their overall fuel consumption by 37 percent per hour.

Bill Heese, a sales account manager with Husker Power Products, has worked closely with a number of farmers, including Compton, who have made the switch from diesel to propane power units. He says as energy costs and expectations have changed over the years, so too has the caliber of today's propane engines.

"The newer propane engines are much less expensive than diesel units, but are also more robust, very durable, and have better long-term value," Heese says. "Considering an irrigation system is a 30- to 40-year investment, converting to propane will likely generate even more value down the road."

UPFRONT SAVINGS

The Environmental Protection Agency's Tier 4 diesel emission standards have gone a long way in reducing the volume of pollutants entering the atmosphere; yet they have also driven engine prices dramatically higher.

MFA Oil member Dustin Faulkner, who farms in northeastern Arkansas, says the difference in upfront costs between diesel and propane irrigation engines was a primary factor in his choice to switch fuel sources.

"The cost of a diesel-powered unit can be twice as much as a propane unit," says Faulkner. "When you are comparing $20,000 and up for a diesel unit to $10,000 for a comparable propane unit, it makes for an easy decision."

PERC offers a Propane Farm Incentive Program that helps farmers offset the cost of buying the latest propane-powered equipment. The program offers up to $5,000 in financial assistance for qualified purchases in exchange for farmers providing basic fuel consumption data. And the incentive isn't limited to irrigators. Propane-powered heating systems for poultry, swine, and greenhouses and grain drying are eligible for reimbursement under the program. A full list of qualifying equipment and uses, as well as program guidelines, are available at Propane.com/FarmIncentive.

MORE REASONS TO CONSIDER SWITCHING

Jeff Goodwin, MFA Oil district manager for the Mid-South and Ohio Valley, says there are a variety of benefits propane-powered irrigation pumps offer beyond their lower price tag and cost effectiveness.

Robert Compton of Compton Irrigation in Lamar, Mo., says his propane-powered irrigation engines have cut his operating costs in half compared to diesel engines.

"Propane is a clean-burning fuel that reduces deposits on engines and prevents premature wear," Goodwin says. "That means less maintenance and more reliability."

The propane-powered pumps not only burn cleaner—emitting 11 percent fewer greenhouse gases than diesel engines—farmers say they run more efficiently, too. Past participants in PERC's Propane Farm Incentive Program have reported that new propane irrigation engines deliver up to 28 percent higher performance than their previous diesel engines.

Another advantage propane has over diesel fuel is its stable storage properties.

"Propane can be stored for long periods of time without worry or need for tank maintenance," Goodwin says.

The fact that propane engines operate on a closed fuel system is another perk in the fuel's favor.

"There's much less risk of spills and theft with the closed system," Goodwin says. "And even in the rare chance there is a spill, propane will evaporate in a matter of minutes without contaminating your soil or groundwater."

Ron Cavanaugh, another MFA Oil member from the Mid-South, says the cost savings and clean-burning benefits offered by propane make it a good bet to pay off for irrigators.

"With all the advantages, especially the money you can save in comparison to diesel-powered irrigation units, the future looks very bright for propane in the farming community."

All in the Family Farm

IT'S NOT UNCOMMON FOR JAY Collins to put in 13-hour days on his diversified farm in Lentner, Mo. There's so much to be done—raising row crops, running a cow/calf operation and managing contracted swine facilities—that it takes a full family effort to keep the operation going on a daily basis. Jay relies on help from his wife, Michele; son, Cole; daughter, Carly; and contributions from his in-laws.

Jay began farming with his in-laws after he graduated from the University of Missouri with a general agriculture degree in 1993. Although his family had their own farm, Jay discovered an array of opportunities working with his wife's parents, and in 2014, Jay took over the family farm from his in-laws.

After obtaining his own degree from State Technical College in Linn, Mo., Cole recently returned to the farm to help his father and run his own contracted swine facilities. Michele, who teaches at South Shelby High School in Shelbina, pitches in by delivering meals to the field and running errands for fuel and other supplies. When Carly, a junior in high school, is not occupied with high school sports or FFA events, she helps Jay with jobs like sorting hogs, driving the grain cart and whatever else she can do to contribute.

> "The independence of doing what I enjoy and getting to share that enjoyment with my family is special to me. It is truly a family effort, it's not just me." – Jay Collins

Though Jay's in-laws have retired from managing the farm, they still assist Jay with some tasks when they aren't busy running their own lagoon pumping business.

Jay Collins farms with his family in Lentner, Mo., and is an MFA Oil delegate.

Jay says he feels blessed to have his family's encouragement and active involvement on the farm.

"The independence of doing what I enjoy and getting to share that enjoyment with my family is special to me," Jay says. "It is truly a family effort, it's not just me."

Besides running his family's multifaceted operation, Jay stays involved with the efforts of his local cooperatives. He is a member of MFA Oil and serves as a delegate for the company's northeast district, and he was recently elected president of the Macon Electric Cooperative Board of Directors. Jay believes the most important part of his cooperative involvement is helping to reduce the communication gap between the co-op and its members. For farmers like Jay, doing business with a cooperative helps to keep operating costs lower while providing opportunities to share in the co-op's success through patronage dividends.

"As members, we have a shared responsibility to work together to make sure our co-op continues to operate as a viable entity that meets the needs of the membership," Jay says.

Although Jay has little time away from the farm and his cooperative commitments, he enjoys opportunities to spend time with his family at sporting events like Carly's basketball and softball games or attending Mizzou women's basketball games with Michele.

– BY MEGAN HILL

On Sale Memorial Day

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IMO 2020 Could Disrupt Distillate Markets

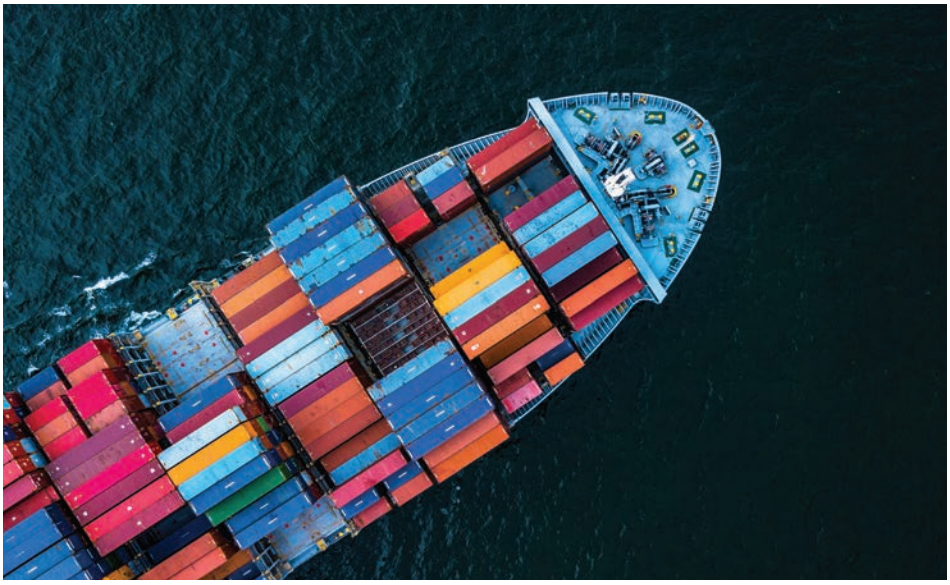
THE INTERNATIONAL MARITIME Organization (IMO), which regulates global shipping, is set to roll out new regulations at the start of next year to reduce sulfur content in fuels used by shipping vessels. You may be wondering what bearing oceanic cargo ships have on a farm cooperative here in the Midwest and why you should care. No one quite knows yet, but there's a chance the change in the fuel specification for ocean-going ships could reverberate across the supply chain and influence the market for on-road diesel.

President Trump's Council of Economic Advisors (CEA) mentioned the impending change to maritime fuel regulations in its annual report, noting the new policy could create supply shortfalls that "will likely trigger higher prices, though estimates of price shocks to fuels, including diesel, gasoline, and jet fuel, vary substantially."

Most cargo ships currently run on high-sulfur residual fuel oil, which is also known as bunker oil. Compliance with the new IMO sulfur restrictions is expected to increase demand of middle distillates, which would tighten the market for similar grades of petroleum products like diesel.

The CEA report projects a shortage of 200,000 to 600,000 barrels per day of IMO-compliant fuel. That's the equivalent of 8,400,000 to 25,200,000 gallons per day that will need to come from other parts of the distillate pool to satisfy those needs.

A recent bulletin from S&P Global gives a broader view of how these changes will impact a wide variety of markets: "IMO 2020 is but one example of how the global energy system is becoming more interconnected, as the change in bunker specification will not just impact refining and seaborne shipping, but domestic road fuel, railroad rates, coal pricing, and electric generation fuel mix."



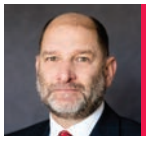
The U.S. Energy Information Administration (EIA) expects that shifts in petroleum product pricing may begin as early as mid- to late 2019.

"The effects on petroleum prices will be most acute in 2020, and the effects on prices will be moderate after that," EIA stated in a market impact report published in March 2019.

I share this with you not to spread fear, but to keep you informed of how these changes may impact our fuel market. It's likely the market will do its job and prices will move accordingly to help balance out supply. Prices certainly could go higher, but if they do, let's hope it's a gradual climb that gives the market time to adjust.

I should point out that there are skeptics who are wondering if the potential impacts of this issue are being overstated. If the global economy continues to slow or enters a recession, overall fuel demand would also drop. That would lessen the chances of disruptions to the distillate market caused by changes to marine fuel. We should have a better idea of where the economy is going later this year and what that could mean for demand.

It's good to be aware of these coming changes and prepare for your fuel needs as you see fit. As the new regulation goes into effect, there are bound to be some issues. There are already questions about how compliant shippers will be and how enforcement will be handled. Some are likely to flat-out cheat. I believe we will see the new maritime fuel requirements go into effect on Jan. 1, 2020, and I don't anticipate any extensions considering refiners and ship owners have known this day was coming for more than a decade. We shall soon see how it all plays out.



» Tim Danze
is the hedging manager for MFA Oil.

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Bundles of Love

ON ANY GIVEN TUESDAY, A JOVIAL GROUP OF WOMEN can be found sewing blankets, infant clothing and accessories in a Hartville, Mo. church. The women share two passions—sewing and giving back to their local community.

These ladies make up the Southwestern Missouri Chapter of Newborns in Need, an organization devoted to providing newborn necessities to hospitals and agencies that serve premature, ill or impoverished babies. Members frequently sew gowns, hats, blankets, sleepers, isolette covers, and other items for infants.

The MFA Oil Foundation recently presented the chapter with a grant to purchase two vital pieces of equipment—a sewing machine and serger.

"We are so proud to receive it," says Patty Schull, the chapter's president. "The best thing about it is that we now have machines that are always reliable."

Schull says her organization will make good use of the equipment as they produce a variety of lovingly sewn blankets and infant clothing. The women's handiwork is then given to local health departments and newborn intensive care units at area hospitals to distribute based on need.

"We don't get to personally see their reactions, but the hospitals and agencies we support tell us of the impact we are making," Schull says. "It feels good to help make a difference for those people. So as long as I can sew, I will keep doing it."

Schull says the organization's mission is important to her and her fellow members, especially after they discovered the depth of the need in their community.

"I take the words of Jesus very seriously," Schull says. "He says that any time we do anything for the least among us, we do it for him. To me, the babies are the least among us."

— BY MEGAN HILL

The MFA Oil Foundation provides cash grants to support nonprofit organizations that are working to improve communities where MFA Oil has a significant concentration of members and employees. In April the foundation approved more than $50,000 in grants to 31 different organizations.

Anderson County Emergency Management – Garnett, Kan.
City of Houston Fire Department – Houston, Mo.
City of Silex Police Department – Silex, Mo.
City of Willow Springs Park Board – Willow Springs, Mo.
Clopton School District – Clarksville, Mo.
Dadeville Rural Fire Protection District – Dadeville, Mo.
Dolan West Dolan Fire Protection District – Freeman, Mo.
Essex Fire Department – Essex, Mo.
Gasconade County Soil & Water Conservation District – Owensville, Mo.
Grand River Multipurpose Center – Chillicothe, Mo.
Habitat for Humanity of Gibson County – Princeton, Ind.
Hermann Volunteer Fire Department – Hermann, Mo.
Humeston First Responders – Humeston, Iowa
Laddonia Missouri Athletic Association – Laddonia, Mo.
Leslie Bell Elementary – Lexington, Mo.
Marion CO R-II School District – Philadelphia, Mo.
Mercy Health Foundation – Lebanon, Mo.
Monroe County 4-H – Paris, Mo.
Orearville R-IV School – Slater, Mo.
Phoenix Family – Columbia, Mo.
Sarcoxie Veterans Memorial – Sarcoxie, Mo
Sedalia Fire Department – Sedalia, Mo.
Senior Citizens Community Center – Paris, Mo.
Shelby Community Fire Department – Shelbyville, Mo.
Slater FFA – Slater, Mo.
Waynesville St. Robert Senior Center – Waynesville, Mo.
William Bradford Christina School – Pryor, Okla.
William Woods University's Pre-Veterinary Program – Fulton, Mo.
Windsor Four County Rural Fire – Windsor, Mo.
Winnigan Community Center and Fire Department – Waynesville, Mo.
Worth County Sheriff K-9 – Grant City, Mo.

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Joey Massey

Massey Receives Cooperative Governance Certification

JOEY MASSEY, WHO REPRESENTS the Mid-South (District 8) on the MFA Oil Board of Directors, was recently awarded certification recognizing his completion of the Advanced Governance Series training program for cooperative board members. The series, which is offered by FCC Services, provides training on the complexity of co-op governance and the fiduciary responsibilities directors face. Massey is the first MFA Oil board member to complete the training and was recognized for his achievement at the company's Feb. 13, 2019, board meeting.

EPA Proposes Year-Round E15 Sales Waiver

ON MARCH 12, THE U.S. Environmental Protection Agency (EPA) announced proposed regulatory changes to allow year-round sales of gasoline blended with up to 15 percent ethanol (E15).

The proposal would waive regulatory barriers that currently restrict E15 sales from June 1 through Sept. 15. The EPA plan would also include reforms to its renewable identification number compliance system under the Renewable Fuel Standard program to enhance transparency in the market and deter price manipulation.

The move has been anticipated considering President Donald Trump signed a memo directing the EPA to lift summertime fueling restrictions on E15 gasoline in October 2018.

The ethanol industry and farmers who would benefit from increased demand for their corn are cautiously optimistic that the government will have enough time to finalize and implement the new rule prior to the start of the summer driving season. However, there may be legal hurdles to clear before the new E15 policy could take effect. The American Petroleum Institute has indicated it is "aggressively" examining legal remedies it may take to prevent year-round E15 sales.

James Greer, MFA Oil vice president of supply and government affairs, says the proposed rule "is a step in the right direction."

"Biofuels benefit the farm economy, and the Missouri Petroleum Marketers and Convenience Store Association supports E15. We have communicated to our representatives and senators in Washington, D.C. that both sides need to sit down and come to common ground."

Fed Holds Interest Rates Flat

THE FEDERAL RESERVE SIGNALED it is unlikely to raise its benchmark interest rate this year following the March Federal Open Market Committee meeting. The decision reflects a major shift in central bank's December forecast of two hikes in 2019. That means the Fed's key short-term rate is likely to remain in a range of 2.25 percent to 2.5 percent, which is still far below historical norms.

The Fed had been slowly increasing rates since December 2015 in an effort to smoothly guide the U.S. economy back from the depths of the Great Recession. The Fed has raised rates nine times since 2015, which has gradually increased the cost of interest on short-term loans like revolving lines of credit, auto loans, credit cards and agricultural operating loans.

The central bank's chairman, Jerome Powell, emphasized taking a more "patient" approach, using the word three times in the first four minutes of his press conference on March 20.

"The data are not currently sending a signal that we need to move in one direction or another," Powell said. He called the U.S. economic outlook "positive" but acknowledged growth "is slowing somewhat more than expected."

Farrell Inducted into MIC Hall of Fame

MFA OIL COMPANY CONGRATULATES Benny Farrell, former chairman of the company's Board of Directors for his induction into the Missouri Institute of Cooperatives' Hall of Fame in March. Farrell served on the MFA Oil board for 27 years, including 21 as its chairman. He played a fundamental role in guiding the cooperative to a number of important accomplishments, such as the expansion of its propane operations and the strategic diversification of its non-member business units.

Benny Ferrell

MFA Oil's Credit Department Offers More than Just Speedy Approvals

SINCE ITS FOUNDING IN 1929, MFA Oil Company has consistently focused its efforts on fulfilling the needs of its farmer-owners. The cooperative serves its more than 40,000 farmer-members in a variety of ways, such as ensuring a reliable supply of quality petroleum products at a fair price.

One important benefit the cooperative offers is credit. Curt Ricks, the company's director of credit and collections, says his 10-member department works hard to make sound credit approval decisions to extend credit as a convenient way for customers to do business.

Members and non-members are eligible to apply for a monthly line of credit with MFA Oil to be paid from their statement. Credit lines are available for Petro-Card 24 and Preferred Customer credit cards and for purchases of propane and bulk fuel.

Ricks' team receives hundreds of applications each month and must analyze a customer's credit reports, bank references, financial statements and income tax returns to determine credit worthiness. The department makes an earnest effort to complete credit approvals within two business days, or as soon as possible.

> The MFA Oil credit team encourages anyone who has questions about the terms of their credit to call for clarification.

"The sooner we can process the credit application, the sooner our members and customers can better plan their purchases and how they need to operate their businesses," Ricks says. "About 80 percent of the applications we receive are approved."

While speed is emphasized in processing credit requests, Ricks says his team is mindful of its responsibility to safeguard the membership's equity.

"We are careful not to overextend credit or make poor approval decisions," Ricks notes. "Our department plays an important role in maintaining the company's strong balance sheet."

The company offers varying credit agreements based on the type of purchase made, so the department works with members and customers to ensure its terms are well understood. For example, payments for bulk fuel and propane deliveries along with Petro-Card 24 and Preferred Customer credit card purchases are due at the end of the following month; bills for transport-sized deliveries to farm and commercial accounts are due within 10 days of purchase. The MFA Oil credit team encourages anyone who has questions about the terms of their credit to call for clarification.

Ricks says he and his employees understand that unexpected circumstances can make it hard to keep up with bills. "We know things can happen that are beyond people's control. We try to be as understanding and professional as possible when handling collections."

Although many of the cooperative's farmer-members may never have a personal interaction with the credit department, Ricks says his team is committed to providing assistance in any way they can. Besides processing credit requests and handling collection activities, the department is responsible for generating monthly statements for anyone with a balance on their account.

"Customers are the reason we're in business—they are our top priority," Ricks says. "We're dedicated to serving customers' needs through timely credit approval, compassionate collections and prompt customer service."

— BY MEGAN HILL

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