

To our Patron Member Owners

By David Cramer, President and Chief Executive Officer

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As you know, the purpose of a cooperative is to work together for the benefit of all the members by creating more buying power and, in turn, offering products and services to you at competitive prices and helping you to be more financially successful.

In 2014, we accomplished this through unit growth. Our revenue dollars were down slightly, but in most of our core business, volume or units are up nicely, leading to increased profits. These increases in profits were complimented by an outstanding year for the ethanol industry. All this adds up to a year of record profits. We appreciate all the support shown by you, our patron members, both new and existing. Due to this support, we're able to accomplish our purpose as a cooperative.

Another asset of the cooperative is all our dedicated employees. Without them, your cooperative would not be able to accomplish the delivery of goods and services as effectively as we do.

Revenues for 2014 were \$579 million. Our core cooperative businesses generated \$23.8 million in profits, up \$1 million from 2013. Our investments in

ethanol performed very well and contributed 33.5 million in profits to our net income. In addition, patronage from our regional cooperatives equaled almost 7.4 million. Adding everything up, United Cooperative had a total net income before taxes of almost \$65 million. This is a new record for the cooperative.

With these profitable numbers, United Cooperative is returning almost \$35.3 million in total patronage to our members, with \$14.1 million being paid in cash and the balance in equity credits. The cash portion was distributed in April. In addition, we plan to continue revolving stock in October, retire stock at age 77 and pay all estates as requested.

As we move into the future, I am very optimistic about the great things in store for agriculture and United Cooperative. By working together we all benefit. I know all of the United Cooperative employees are looking forward to serving new and existing patron members in 2015 and beyond.

Cooperatively yours,

David Cramer

David Cramer
United Cooperative
President and Chief Executive Officer

The 2015 United Cooperative Board of Directors: Back row, left to right: Robin Craker, Reedsburg, secretary; David Cramer, Beaver Dam; treasurer; Duane Hinchley, Cambridge; Greg Tauchen, Bonduel; Gary Nolden, Prairie du Sac, vice chairman; Peter Mlsna, Hillsboro. Front row, left to right: Brad Krueger, Shawano; Howard Bohl, Beaver Dam, chairman; Anthony Schadt, Watertown and Rod Leiterman, Denmark.



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Summer Grain Markets

By: Doug Marshall, grain merchandiser

Everyone who is familiar with grain markets knows that grain markets tend to get more volatile in the summer when traders become more focused on weather and its effects on crop production. The previous year's grain markets have been volatile for several reasons: good demand in the 2010/11 crop years, followed by a drought in 2012, which kept the grain ending stocks (carry outs) for corn and soybeans at historically low levels until this year. This caused increased volatility, because the markets knew there was little room for production problems, and they often over reacted to the slightest change in weather.

This year is different. The USDA is predicting 1.827 million bushels carry out in corn and 370 million bushels carry out in soybeans.

If this holds true it will be the largest carry out for corn since the 2005/06 crop year for corn and 2006/07 crop years for soybeans. This is important because the market will feel it has a cushion if there are minor weather problems.

The USDA grain stocks report that was issued at the end of March also indicated that farmers ownership of corn and (to a lesser extent) soybeans is the most it has been at this time of year in a long time. This means any type of weather rally could easily be sold into by the large farmer ownership of corn. Although the chance of a major

rally is a lot lower than in past years, that doesn't mean the probability is zero. There are things that are more technical in nature that could set the market up for short term price rallies. The biggest reason is funds are short corn, soybeans and wheat. This is very unusual for this time of year, part of the reason for that short is the negative fundamentals mentioned above, but that short position could cause some dramatic spikes this summer if there is a perceived weather problem this summer. The funds would have to "double buy" (once to cover their short and another time to get long) which could cause some dramatic swings in prices. That being said, you have to keep in mind we are still in a long term bear market that by all indications has not ended yet, so it will take something like weather to change the trend in the near term.



Making Good Haylage when the Sun Shines (or not)

By: Dan Jensema, feed sales and marketing manager

It's almost harvest time again.

Soon the weather will be warm and the sun bright. When growing conditions are ideal, it is relatively easy to make good forage; but when the weather is cool, rainy, damp or cloudy it can become difficult to put up good quality haylage.

One tool that can help you make and store high quality forage is the use of a forage inoculant to aid in the fermentation of your haylage. The use of an inoculant applied at the chopper, blower or bagger increases the natural bacteria that aids in fast and complete fermentation of your ensiled crop.

Inclusion of a quality inoculant increases the total colony forming units (CFUs) available on the forage. These CFUs aid in converting starches and sugars in the hay crop to lactic and acetic acid. These ac-

ids dramatically lower pH aiding in stability of the haylage and helping retain energy value of the stored feed while also reducing potential molds and yeasts from forming in the forage.

Weather significantly influences the CFU levels of natural bacteria growing on the forage as it matures in the field.

Once cut, temperature, moisture and other factors such as soil contamination from raking and merging can introduce bacteria and organisms that negatively influence good fermentation.

If the weather is perfect and contamination is low the crop can ensile on its own fairly well. If however, the weather is cool, moisture is introduced by dew or rain and skies are cloudy the levels of good natural bacteria fall significantly

and the fermentation process is prolonged causing forages to be lower in nutrition, have reduced palatability and greater instability at feed out.

When the weather is perfect the use of an inoculant will still improve the fermentation process by increasing the speed of fermentation and reducing the loss of sugar and starch to prolonged heating as the forage ensiles.

United Cooperative can provide you with a high quality forage inoculant that will help you protect the crop you have worked so hard to put in. For only pennies a ton, your haylage will have the protection it needs to provide its full nutritional value at feeding time.

Talk to one of United Cooperative's feed consultants about what inoculant product will work best for your harvest situation.



New Weather Tools to Help Manage Crops

By: Jim Kemink, vice president of agronomy seed and sales

Technology is continually giving us more tools to help manage our crops during the growing season. Climate Corporation is a web based tool that aims to help farmers with software that gives you the power of real time field by field weather and agronomic information. There are two programs that will be offered for the 2015 growing season.

- 🔥 **Climate Basic** is a **FREE** web based service that helps optimize your decision making by providing up to the minute, field specific weather, including forecast and how much rain you received, soil conditions, and crop growth stage information. If your fields are spread out geographically you will be able to see rainfall totals at those far away fields and know when the soil is ready to be worked. The initial reports for rain might not be perfect but they are updated and extremely accurate 24 hours after the rain event.
 - o To get started go to www.climate.com and click "Sign UP". After you create an account and add your fields you can also download mobile apps to your phone or tablet.
- 🔥 **Climate Pro** will add two important features including the Nitrogen Advisor and Field Health Advisor. Nitrogen Advisor will give you guidelines on how much nitrogen to side dress based on soil type and potential N loss from leaching after rain events. Field Health Advisor will give you updated satellite imagery so you can detect problem areas in the field before they you can see them.
 - o This service is available to anyone that has 250 acres and is in counties that are south of a line from Sheboygan to Lacrosse. The first 250 acres are at no charge for this year. The service is scheduled to be available in all Wisconsin counties in 2016.

To learn more, visit the Climate Corporation at: www.climate.com. If you have questions give your United Cooperative agronomist a call.



2015 Propane Outlook

By: Mike Keuler, certified energy specialist

Winter is over and summer is on the way.

Believe it or not, now is the time to plan your propane supply for next winter. Looking back at last winter, we had a somewhat mild winter which lowered the demand for propane. While demand was down last winter, production was up which is resulting in a very comfortable propane inventory in the U.S. going into summer. Barring any major events, we should go into next winter with more than an adequate supply.

“Rely On Us”

is not only our motto, it is what drives us. We go to great lengths to make sure we have two major components in place; Supply and Service.

Ample Supply.

United Cooperative invests millions of dollars of working capital to purchase propane many months before it is needed by our customers. This, along with partnering with CHS, one of the largest wholesale propane suppliers in the U.S. allows us to have ample propane supply in the worst of times. Even in the winter of 2014 when supply was tight, we had ample supply for our customers. We have also increased our storage capacity at the local level in the last year in order to maintain ample supply for the coming year.

Service.

Service is very important to us and something discount suppliers just don't have. The cornerstone of our business is safety and service. Every gallon delivered by our Certified Delivery Specialist is backed by our Certified Technicians. Our service technicians are on call 24/7. That's another reason you can Rely On Us if you have a propane emergency at your home, farm or business.

Price protection is another part of what we do for the customer.

Propane contracting is done every year for those who want to take protection against winter price spikes. In most years, it can save you money.

There are contracting options:

Budget plan: Lock in a fixed price, and spread your payments for home heating into manageable, equal, monthly amounts.

Booking plan: Lock in a fixed price, and pay for your fuel as it is delivered.

Pre-paid plan: Lock in a fixed price for the season, and pay for your fuel up front.

Summer fill discount: Fill in June, July or August for the best pricing.

As a Cenex propane partner, United Cooperative provides quality propane that's clean, efficient, reliable and affordable; service that's safe; and delivery that's far more dependable than our competitors. You can “Rely On Us” for propane supply and service.



Annual and Informational Meeting Recap

By: Abbey Wethal, lead communications specialist

During the week of April 13, 2015, United Cooperative hosted it's annual meeting at the Juneau Community Center in Juneau and two informational meetings at the Voyageur Inn in Reedsburg and the Rock Garden Comfort Suites in Green Bay.

Patron members were invited to the meetings to review the success of our 2014 year.

Thirty-eight employees were recognized for their years of service to United Cooperative, 11 employees were congratulated on their recent retirement from UC and 40 high school seniors were awarded with

\$1,000 scholarships to be used for their continuing education. The meetings were well-attended by both UC members and employees alike. At the conclusion of the meetings, raffle prizes were handed out to the lucky winners, refreshments were provided and attendees had the chance to mingle with fellow patrons.

Years of Service recipients:

45 years

- Robert Delzer

40 years

- Daniel Schweiner

35 years

- Clyde Braunschweig
- Carl Hoffman
- Kim Lamberies
- Gayland Leatherberry
- Neil Sanders
- Joretta Weber

30 years

- Scott Ledvina
- Steven Root
- Rhonda Schmude

25 years

- Cynthia Dalke
- Dennis Nell
- Brian O'Rourke

20 years

- Amy Beisbier
- Angela Hermans
- Daniel Hupf
- Daniel Koenig
- Steven Liegel
- Lori Sterr

15 years

- Michael Cleaver
- Alan Frisbie
- James Gulke
- Mark Hafenstein
- Matthew Homan
- Patrick Jeanes
- Colleen Johnson
- James Reider
- Larry Sween
- Nathaniel Sween

10 years

- Claude Christie
- David Dykstra
- Marie Fischer
- Kevin Grahl
- Pete Page
- Douglas Schussman
- Neal Weber
- Nick Welch



The following individuals were recognized at the annual meeting in Juneau. Back row, left to right: Clyde Braunschweig, Rhonda Schmude, Lori Sterr, Dennis Nell, Jim Reider, Brian O'Rourke, Matt Homan, Claude Christie and David Cramer. Front row, left to right: Pete Page, Neal Weber, Kevin Grahl, Mark Hafenstein, Alan Frisbie, Doug Schussman, Nick Welch.



The following individuals were recognized at the informational meeting in Green Bay. Left to right: David Cramer, Marie Fischer, David Dykstra, Angela Hermans, Scott Ledvina, Steven Root, Carl Hoffman, Robert Delzer, Kim Lamberies and Daniel Schweiner.



The following individuals were recognized at the informational meeting in Reedsburg. Left to right: Michael Cleaver, Colleen Johnson, Amy Beisbier, Dan Koenig, Gayland Leatherberry, Neil Sanders, Joretta Weber and David Cramer.

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2014 United Cooperative retirees:

- Charles Birkrem
- Robert Goodman
- Lynn Hansen
- David Holm
- David Julius
- Frank Lawrence
- Gary Milbrath
- Dennis Olson
- Patricia Romuald
- Norbert Schleicher
- Daniel Shore

Scholarship recipients:

United Cooperative announced the names of 40 \$1,000 United Cooperative scholarship winners.

To be eligible, the student or the parent had to be a patron member of United Cooperative; the student must attend an accredited college, university, or technical school; and the student must maintain a GPA of 2.0 or above on a 4.0 scale.

Our 2015 scholarship recipients:

- Abigail Schulz
- Alexis Remington
- Allison Reinecke
- Amanda Ruechel
- Anna Liegel
- Ashlee Strebe
- Austin Krentz
- Beth Yanke
- Brandon Swenson
- Brett Weiland
- Danielle Warmka
- Gabrielle Ziese
- Hannah Boutin
- Hunter Braskamp
- Isaac Whiting
- Jacob Nehls
- Jessica Hein
- Joel Gohr
- Jonathan Fraser
- Justin Kaczmarek
- Kaila Wussow
- Kailyn Ripp
- Katie Kovalaske
- Kelsey Thorell
- Kevin Twardokus
- Kimberly Schliep
- Kori Beisbier
- Kristen Woldt
- Lana Hantzsch
- Lindsey Bengsch
- Logan Kitchen
- Mara Shelley
- Marlee Bonham
- Matthew Doering
- Megan Waterworth
- Mercedes Schulz
- Patrick Cauley
- Sara Arens
- Spencer Butterbrodt
- Tiffany Miller

Credit Reminders

By Mary Beth Schade, Credit and Administrative Services Director

Patronage distributions - Are you receiving your full patronage dividend?

Patrons received a patronage dividend check in April, 2015 for purchases made in 2014. If your check stub shows a "Federal Withholding Tax line" your check is being reduced per IRS regulations, because we do not have your Social Security number or Federal Tax ID number on file. Please contact the credit department at 800-924-2991 to correct this so we can pay out your full dividends in future years.

Discount Program - You may be missing discounts that can save you money!

Our feed division offers bulk feed discounts, discounts for payment by ACH or payment in 10 days. Propane, Fertilizer/Crop Protection and refined fuels offer a 10 day payment discount. Discounts do not apply to prepay pricing, seed or services.

Directory

Corporate Office	920-887-1756
Aurora Grain	920-361-3361
Baraboo Cenex Lubricant Terminal	608-524-2822
Baraboo Ash St. Cenex C-Store*	608-356-2703
Baraboo Hwy. 12 Cenex Pump 24, exit 215*	608-356-2703
Beaver Dam Cenex C-Store*	920-887-1756
Beaver Dam Feed	920-885-5522
Deerfield Agronomy and Energy	608-764-5454
Denmark Feed/Grain/Agronomy/Energy	920-863-2171
Denmark Cenex C-store	920-863-2171
Gresham Grain	715-526-6115
Hartford Feed/Grain/Agronomy/Energy	262-673-8960
Hartford C-store	262-673-8960
Hillsboro Agronomy	608-489-3444
Hillsboro Office/Energy/Feed/Farm Supply	608-489-2231
Hillsboro Grain	608-489-4120
Horicon Grain	920-485-9707
Hustisford Cenex C-Store*	920-349-3989
Johnson Creek Agronomy	920-699-4990
Johnson Creek Grain	920-699-2771
Kendall Cenex C-Store	608-463-7872
Mayville Agronomy and Energy	920-387-2410
Ontario Cenex C-Store	608-337-4525
Pickett Agronomy/Energy/Cenex C-Store*	920-589-2311
Ponderosa, Beaver Dam	920-885-2755
Ponderosa, Hartford	262-673-2248
Poynette Cenex C-Store*	608-635-7002
Prairie du Sac Agronomy	608-643-2348
Pulaski Ace Hardware	920-822-6396
Pulaski Agronomy	920-822-3341
Pulaski Energy and Office	920-822-3235
Pulaski Feed and Grain	920-822-3252
Reedsburg Agronomy and Energy	608-524-2822
Reedsburg Cenex C-Store*	608-524-6115
Ripon Grain	920-748-7488
Rock Springs Grain	608-524-5246
Sauk City Feed and Grain	608-643-3345
Shawano Energy and Office	715-526-3197
Shawano Feed and Grain	715-526-6115
South Beaver Dam Grain and Agronomy	920-887-7671
Watertown Energy	920-262-6770
Wilton Feed/Agronomy/Energy/Farm Supply	608-435-6421
Wilton Cenex C-Store	608-435-6977
Wonewoc Cenex C-Store	608-464-7191
Wyocena Cenex C-Store*	608-429-9262

* sells E85, E30, and E15

Note: "C-store" is short for convenience store.



View the 2014 annual report on our Website

By Karl Beth, Vice President and Chief Operating Officer

Thanks to all who took time to attend our annual meeting in Juneau or one of the two informational meetings

in Reedsburg or Green Bay last month. We were pleased to see attendance up significantly this year. If you were not able to attend, you can view the annual report on our website. Go to the UC Story tab on the left hand side, then scroll to the bottom of the page and you will see a link to our 2014 Annual Report. As you probably know by now, 2014 was a record year of profits for United Cooperative, resulting in a record \$14 million in cash patronage paid back to our members last month.

Another record that was set was the awarding of 40 - \$1,000 scholarships to students throughout our trade area. This year the number and quality of

scholarship applicants applying was so great, that we decided to increase the number of scholarships from our usual 30 to 40. It is nice to see these young people pursuing higher education, and even nicer to see 2/3rds of them pursuing agriculture related majors. As I mentioned in past newsletters, finding and retaining the best employees is very important to our continued success. New facilities and equipment are only as good as the people running them, and those employees are the key link between United Cooperative and our customers. If you or someone you know is looking for employment, take another look at United Cooperative.

Looking ahead to the rest of 2015 it is hard to say if any records will be met or broken this year. What we can say is that we will be busy improving facilities and equipment, hiring and training

employees, improving our processes and efficiencies, and looking for opportunities to continue to grow our business. Thank you for your business, and have a safe and productive spring season.



Read the 2014 United Cooperative Annual Report at www.unitedcooperative.com.