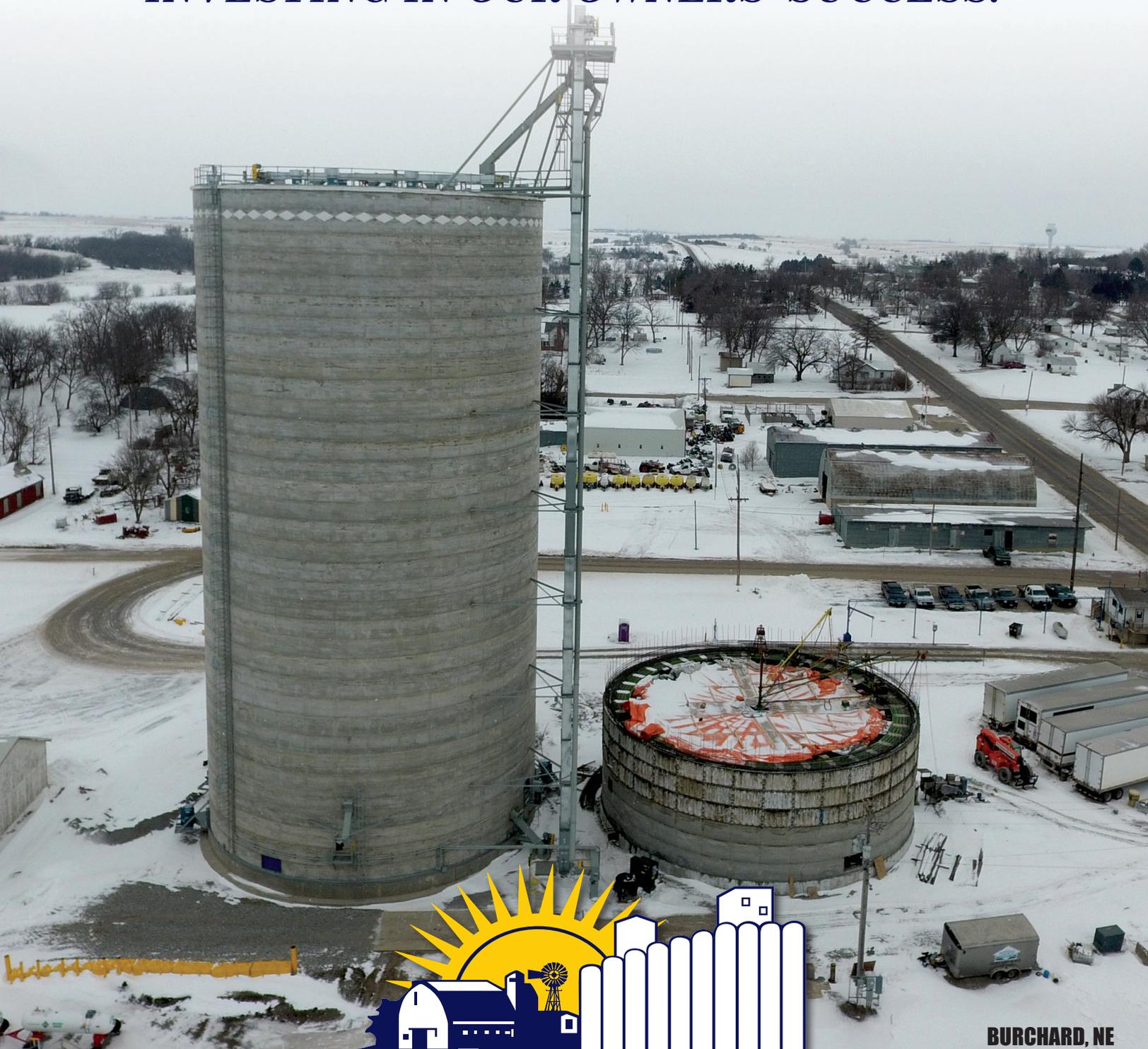


FARMERS COOPERATIVE

INVESTING IN OUR OWNERS' SUCCESS!



BURCHARD, NE

COOPERATIVE NEWS MARCH 2019



Ron Velder
CEO

INVESTING IN OUR COMMUNITIES

Developing culture has ensured long-term success in building Farmers Cooperative's balance sheet. In 2002, when the mergers came together to form Farmers Cooperative, the goal was to provide our patrons with service, speed, space for grain, local earnings, new capital expenditures and explore new acquisitions or other opportunities that made sense.

Since 2002, your company has had local savings over \$185 million put back in our local communities. Your company has also invested more than \$300 million in assets over the same time. Farmers Cooperative's future is bright but will have challenges moving forward. Our goal will be to continue to do as we have and work hard to earn your business.

Since the early 1900s when cooperatives were started, they have remained resilient and will always maintain the same principle - patrons working together to have local control and own their company.

With this spring season starting behind with the weather, please consider safety when you start your daily tasks and all of us will need to have patience in getting everything done in a short amount of time.

Thank you for your business and thank you to our employees for their efforts.

Ron Velder

BUDGET BILLING for House Propane Customers

Rob Blahauvietz, Credit Department Manager

Are you interested in a budget-billing program for your purchases of house propane? This would allow you to make 11 equal monthly payments throughout the year instead of making large payments in the winter months.

Together we will estimate your total house propane purchases for the upcoming 2019-2020 season. Then we will divide that figure by 11 and set up monthly payments starting in June 2019. Settlement date will be in April 2020, when we will settle your account by payment or refund and/or adjust your payments for the next year.

Whether or not you go on the budget program or one of our other contracts, you can still be on a "keep full" basis. This will avoid the possibility of you running out of propane. The number one reason for propane related accidents is when your tank runs out of propane. If this occurs, a leak test is required which will cost you an additional fee and possibly an after hours fee as well. If you want to be on "keep full", **please contact our propane order department at 800-473-4579.**

If you were on the budget program this past season, we will automatically send new contracts to you. There is no need to contact the office to be on it this year.

If you are interested in the budget program, you must contact Rob Blahauvietz in the Dorchester office by **May 15, 2019 at 800-642-6439.** If you do not go on this program, you will be required to pay according to our normal credit terms.



BOARD ELECTION RESULTS 2019

Farmers Cooperative's Board of Directors hosted the 2018 annual meetings in January. Ron Velder, CEO, shared the highlights from 2018, pictures of new fixed asset additions along with the audited financial statements from August 2018.

The Board of Director Election results were announced and Jed Weise was elected to a four year term.



Front Row: Darren Eberspacher, Ron Holst, Galen Kuska, Mike Nohavec, Ryan Holtmeier, Tom Hueske, Brian Schwartz
Back Row: Dan Tiemann, Alan Dorn, Jed Weise, Max Larsen, Michael Busboom, Mike Pracheil, Darren Meinke

Farmers Cooperative is looking forward to another strong year in 2019 and would like to thank our patrons.

ADDITIONAL STORAGE COMING IN 2019

Dale L. Hayek, Grain Manager

The Board of Directors has approved nearly 2.5 million bushels of additional storage for the 2019 fiscal year-end and should all be available for fall 2019 harvest. This continues our emphasis of "Investing in our Owners' Success!" while prioritizing our commitment to speed and space. This capacity will more than offset the worn out bins we are continually upgrading within the company. As we address this, we try to be fair and accommodate all producers geographically.

This year, Farmers Cooperative is constructing 400,000 bushel steel bins in Milligan and Lushton which will compliment the existing bin sites at each location. Milligan continues to handle more bushels and are continuing to have to pile corn year after year. We are also constructing a 500,000 bushel concrete tube in Burchard which will match the 500,000 bushel concrete tube we built last year. To make room in Burchard, we tore down several old steel tanks and a flat. Farmers Cooperative is also building a 620,000 bushel concrete tube in Odell. These four projects utilize existing legs/elevation, which makes our cost per bushel less while minimizing the amount of bushels we pile. We are also currently in the permitting stages for a 500,000 bushel steel bin in Emerald. Despite being close to Lincoln markets, we continually pile grain in Emerald and this should address their need for storage.

Going into spring, our employees, as well as the farmer, will be challenged as the window for fertilizer application

is shrinking. We will be taking advantage of any window or break in the weather to get fertilizer applied. Our employees put in many hours, especially at the shuttle loading facilities. I know our grain personnel, as well as our producers, were feeling more than relieved to see the light at the end of the tunnel by the end of harvest this year. With the large amount of bushels eventually needing to go to market, our company will be tested, so patience will be key.

Safety is a priority at Farmers Cooperative and we strive to accomplish the most while not compromising any safety concerns.



Milligan, NE

STILL, RECORD U.S. STOCKS



Dale L. Hayek
Grain Manager

Locally, the market is feeling very similar to last year – good production and minimal pricing movements are keeping bushels from moving. Grain quality also becomes an issue as temperature fluctuates and this wetter-than-normal harvest is not storing well. Even with adequate aeration, solid pockets of grain not receiving air are creating heat spoilage for corn and soybeans alike. If you have

farm-stored bushels, make sure you are pulling peaks out and creating movement in the bins. I sound like a broken record, but we do not enjoy having to discount grain for poor quality. To alleviate the situation, Farmers Cooperative is offering free delayed pricing on farm delivered corn and soybeans at most facilities. Unlike last year, we have called in nearly all of our contracted white corn into Dorchester and Jansen.

2018 HARVEST IN A NUTSHELL

The extended harvest allowed the industry to continue to ship bushels and avoid large ground piles. Thank you to the Board of Directors for continually approving additional storage every year. In 2018, additional storage was constructed in Burchard, Ruby, Virginia and Wilber, which helped us accommodate this big crop and minimize our ground piles at those locations. As Farmers Cooperative evolves, we are continually committed to speed and space while implementing consolidation and servicing the producer. This year was our largest harvest bushel dump volume in history. The extended harvest, timely rail movement and empty storage space entering into harvest helped us accomplish this. At the same time, we have piled fewer bushels than we have ever had to recently. Last fall, as we saw in the increase in bushel production coupled with a non-existent soybean rail market, we made the strategic

and purposeful decision to move more corn trains.

Little did we know that untimely rains and snow deteriorated what looked like a huge soybean crop. The extent of field loss is hard to quantify, but most producers felt it to some degree. The frustration of knowing there is a good crop in the field but the inability to get to it is not a great feeling. In the south territory, many of our producers were challenged with wet soybeans long into November and the holidays. Surprisingly, the corn dried down and stood up (as a generalization) despite taking a while to harvest. Our large bushel handle this harvest is greatly attributed to the huge corn yields, especially in

some of our dryland areas. It is great to see. Never have we seen so many dryland fields yield 200+ bushels per acre as we have this year.

With the challenge of a nonexistent soybean export program, both the producer and commercial elevators took extra efforts to accommodate the soybean crop. The low price of soybeans kept a high quantity of

bushels on the farm, waiting for a rally. There is no doubt there was field loss as the harvest lingered on and more than one on-farm corn bin was used this year to store soybeans. The large soybean carry-out the U.S. will face this year will challenge the basis to rally too much.

“This year was our largest harvest bushel dump volume in history.”

As we progress through this marketing year, local corn and bean processors are continually satisfied with their ‘hand to mouth’ buying practices, taking advantage of the board rallies when they occur. The large number of farmer-stored bushels allows them to slowly walk into the marketplace. A range-bound Board of Trade has kept the farmer relatively silent, therefore challenging the processors to improve their basis. It’s a wait-and-see attitude, as producers are awaiting an elusive board rally to sell and move bushel prior to spring field work. Needless to say, we are likely more than one tweet away, ba dum dum.

As for the nation, Nebraska, Illinois and Ohio continue to be the ‘pantry’ of excess bushels for the market. Excessive rains in Missouri, Iowa and Minnesota created a disappointing corn harvest. This is affecting our corn carry-out as well as our domestic and export rail demand. On the other hand, the carry-out of soybeans, to no surprise, will be staggering when we enter the fall of 2019. Soybean demand and price action will also soon be challenged by South American production. Argentina will not have the production issues they experienced last year. Additionally, U.S./China negotiations surrounding a trade balancing structure could greatly impact demand and price action. Undoubtedly, U.S. commodities are a key component to this. Time will tell. While the U.S. has been exporting corn, wheat and soybeans to other countries besides China through the fourth quarter and into 2019, we are still obviously behind ‘normal’ capacities.

TRAGIC INCIDENTS ON NEBRASKA FARMS



Doug Salmon
Safety Director

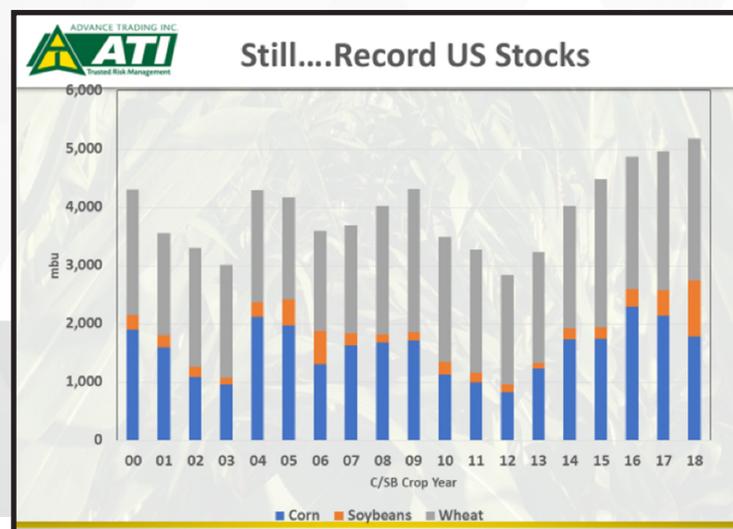
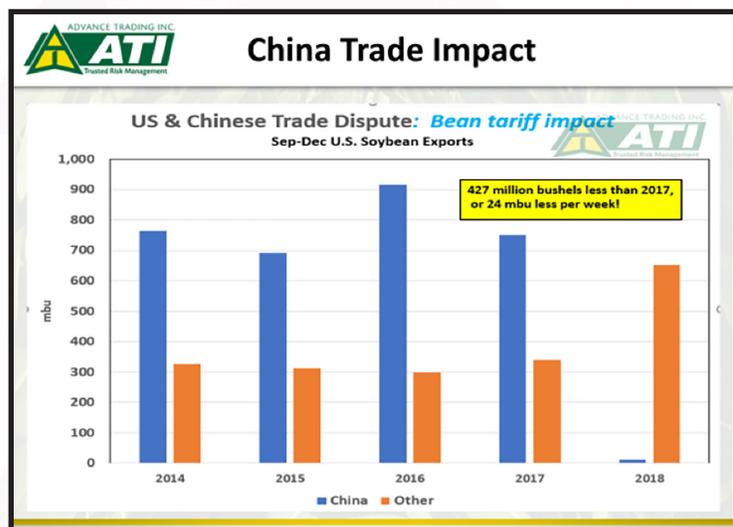
On Saturday, February 9, 2019, there were two tragic incidents involving farmers entering grain bins.

In Otoe County, a 69-year-old Nebraska City man entered a grain bin to “clear a jammed auger”. The man was engulfed in soybeans and rescue workers were called to the farm northeast of Unadilla where they cut the

bin to remove the grain so they could find the victim. The man was pronounced dead at the scene.

The second incident occurred near Barneston where a man became entangled in a sweep auger. On-scene witnesses said the man’s foot was caught between the auger and backer board causing severe lacerations to his leg. The man also suffered lacerations to his abdomen when he fell onto the auger while it was still running. The victim was life flighted to Lincoln where he was in stable condition.

These incidents could have been prevented by following safe bin entry practices. If you have questions about what you can do to improve bin entry safety on your farm, please contact your nearest Farmers Cooperative location manager.



Enlist (E3) Soybeans RECEIVE APPROVALS



Brian Scherling

Seed Sales

For multiple years, the Enlist cropping system has been patiently waiting to join the fight against resistant weeds. This system is another tool for producers to choose from in order to control tough-to-kill weeds in their corn and soybean fields. Recently, the Enlist (E3) soybeans finally received the necessary trait approvals from both China and the Philippines. By clearing these hurdles, the system can now move forward and we can begin utilizing it to help the producers in our area fight weed resistance.

Enlist is a re-formulation of 2,4-D using the Colex-D Technology. This new formulation is referred to as 2,4-D choline. There are many benefits to this change. Perhaps the biggest benefit is the reduction of volatility and minimized potential for physical drift. Compared to traditional forms of 2,4-D, the choline version is 96% less volatile and there is potential for up to a 90% reduction in physical drift. The choline products have been successfully sprayed in the southern U.S. cotton country for multiple years with very little to no complain occurrences.

The Enlist (E3) soybeans are a three-way stack and are tolerant to 2,4-D choline, Roundup and Liberty Herbicides. This herbicide stack allows for tank mix flexibility options to match each farm's needs. Enlist One is a straight-goods 2,4-D choline herbicide. This will be the preferred herbicide product of choice that will allow growers to make tank mix decisions based on targeted

weeds, weed heights, sensitive neighboring crops and much more. Other benefits of the Enlist soybeans and cropping system include:

1. Effective burndown applications in no-till systems.
2. Eliminates the plant-back restrictions. Can spray the 2,4-D burndown application up to or after planting.
3. Flexibility to use an effective tank mix partner without many application restrictions.

Enlist soybeans in 2019 will have supply and maturity limitations, but Farmers Cooperative will get a look at the varieties in our plot system and other on-farm trials. The full launch of the soybeans will occur in 2020 and we will have many variety options from multiple seed companies available. If you have any questions regarding the Enlist system, please contact any of our local agronomy staff and we will be happy to assist you.

Please keep this final thought in mind as the evolution of soybean herbicide technology continues to change in the marketplace. It is very important to understand the differences between the Enlist and Xtnd systems. These two technologies are not the same and not interchangeable. So, as they begin to co-exist in your area, please be aware of what you and your neighbors are planting. Again, if you need help understanding the difference, let us know and we can help clarify the systems for you.



York Ag Expo in York, NE



Power Farming Show in Lincoln, NE



Producer Meeting in Odell, NE

IMPACT OF THE **IMPORT**



Brent Colgrove
TBA Manager

It took three years and a day, but the International Trade Commission (ITC) has reversed an earlier decision and ruled the U.S. tire market is being harmed by the import of truck and bus tires from China.

On January 30, 2019, the ITC filed a 62-page determination in response to an order from the U.S. Court of International Trade.

On November 1, 2018, the court remanded the ITC's earlier decision not to impose tariffs on truck tires - effectively forcing the ITC to re-examine the case.

What does it mean? It means that truck and bus tires imported into the U.S. from China will be subject to tariffs. The court ruling doesn't reveal the tariff rates or a timeline. But all of the parties will have an opportunity to respond to the ITC's new findings.

The issue of Chinese truck tires became a formal government complaint in January 2016 when the United Steelworkers union filed a complaint, saying the imports were harming the U.S. truck tire market. The complaint worked its way through the typical government process, with investigations by both the U.S. Department of Commerce and the ITC. Typically, the ITC has the last word, and if the commissioners say there's no harm to the domestic industry, then no tariffs are imposed on the affected goods. If the commissioners find there is injury, then there are tariffs.

The ITC was looking at data from 2013-2015 and during that time, the U.S. market grew by 21.3%. But the domestic tire makers' share of the market dropped by 7.7%, from 53.3% to 45.6%. Domestic shipments grew 3.9%.

At the same time, the Chinese imports grew by 41.9% and their market share increased 4.9%, from 28.7% in 2013 to 33.6% in 2015.

To sum it up, this country uses 25.1 million new medium or semi tires annually. China imported closed to 9 million truck tires into this country and the U.S. produces 14 million units

annually - that leaves a big gap. So how are we going to make up that gap?

The tire manufacturers have other options, such as moving molds to other countries such as Vietnam, Thailand or India. By doing this, they are still taking advantage of low-cost labor over the higher-priced labor force found here in America.

I also believe the government is only putting a Band-Aid on the total issue by charging tariffs on Chinese truck tires. If they want to fix the issue, they need to charge the tariffs on all tires being imported no matter where they come from.

So what are the options for the local retailers? #1: Look for low-cost truck tires being produced in other countries. #2: Go back to selling more recap truck tires. #3: Sell higher-priced U.S.-built truck tires which are generally \$100-\$130 higher than an import tire of the same quality.

For us here at Farmers Cooperative, we will sell what the market will bear and what is best for you, our customers. We try to remind our customers that you get what you pay for, and usually a low-priced tire has a story behind it.

No matter what new tire you buy here at Farmers Cooperative, we will always back that tire with a manufacturer's warranty. Normally, when you see an interruption in any industry where there is high demand, prices tend to go up and shortages for the short term will be an issue. My advice would be if you need truck tires for your grain truck or semi, purchase them before this is an issue.

Thanks for the support and we will see you next time.



PREMIUM DIESEL FUEL



Chuck Swerczek

Petroleum Sales & Mktg.

Farmers' Cooperative is an authorized Cenex Ruby Fieldmaster/Roadmaster XL Premium Diesel dealer. These products are recognized as the industry's leading premium diesel fuel powering the demands of high-tech engines with an enhanced product formulation.

Cenex Ruby Fieldmaster/Roadmaster XL contains a special additive package to meet the 2014 Tier 4 engine technologies & EPA Mandates to reduce emissions. Today's engines use high pressure common rail (HPCR) direct injection technology to provide significantly greater efficiencies than conventional diesel engines. These engines operate under high temperatures and pressures that can literally "cook" typical #2 diesel fuel, resulting in injector/filter problems, reduced efficiency and costly repairs.

No other premium diesel contains a more complete balanced additive package that helps avoid the hassle of splash blending or top treating with aftermarket products. Ruby Fieldmaster is a true premium diesel that is formulated to handle the rugged challenges of farming. It is an investment that pays for itself, plus it is backed by the best warranty of its kind in agriculture.

This spring will be very busy for our producers who weren't able to do fall fertilizer application. Now is the time to make sure your equipment is maintained and ready to roll when spring arrives!

Putting your needs first and "Investing in Our Owners Success!" Farmers Cooperative is offering fuel contracts March 1, 2019 through November 30, 2019.

Contact your location branch manager for more information or call Chuck at 402-580-7562.



PREMIUM DIESEL BENEFITS

Cenex Premium fuels are "Smart Injected" at the terminal while loading fuel to ensure all quality specifications are met.

Lubricity Improver - Reduces wear of the engine parts and the injection system and provides 10-15% better protection.

Detergent - Cleans the injectors and the system. Maximize horsepower up to 4.5% & improves fuel economy by as much as 5%.

Injection Stabilizer - Prevents oxidation problem which often leads to injector failure. Prevents injector fouling in new engine technology.

Cetane Improver (Typical 48+) - Better ignition, quicker starts and a smoother running engine. Better cold weather start up.

Demulsifiers - This carries the water to the bottom of the tank, reduces filter plugging and allows easy drainage and removal of the water.

Corrosion Inhibitors - Prevents fuel line leaks due to corrosion and rust. It slows down the diesel fuel degradation caused by oxygen.

Storage Stabilizer - This reduces gum & varnish buildup & extends the storage life 3-6 months.

DIESEL SUPPLY CONCERNS



Tom Garner
Energy Manager

This spring will be a busy time for the farmer due to the lack of fertilizer application last fall. It will also be a busy refinery “turnaround” season for several regional refineries that supply our local fuel terminals. Refiners occasionally have to go on turnaround or maintenance for safety and

regulatory reasons that can cause either a partial shutdown with reduced crude runs or a total or “cold” shutdown that will cause the refinery to cease all production.

That is the case with at least one refinery this spring. The CHS refinery in McPherson, Kansas, will go on cold shutdown the last week of March and will remain shut down the entire month of April with restart scheduled for the first week of May. Locally, we do get a lot of fuel shipped up the pipelines to our local terminals from McPherson and the loss of this production will undoubtedly affect our supply for that time period. Several other regional refineries, as well as Chicago area refineries, will also be doing maintenance this spring that will have further impact on our supply. Not only does the

supply disruption impact how much we get and where we get it, but it can also affect prices by increasing the basis in the areas of the short supply as well as long lines at the terminals.

Our supplies are recommending us to go into spring carrying extra inventory in order to help offset the volume that would normally be brought in to our bulk plants during that time frame.

Consequently, we are recommending the same plan of action to our customers.

Every gallon stored in tanks on the farm and in our bulk plants before the disruption will help alleviate the supply crunch. Farmers Cooperative will act accordingly and do everything in our power to make this situation go as smooth as possible and have as little impact as possible in your operation, as well as having your tanks full going into spring. It will also be helpful to give your delivery driver as much notice as possible when you need a delivery.

By communicating and working together, I have high hopes that we get through this situation with as few disruptions as possible. Thank you in advance for your help as we work through this and we look forward to serving your energy needs this coming season.

“Every gallon stored in tanks...will help alleviate the supply crunch.”



Your RECIPE 4 SUCCESS

SPICY PARTY PRETZELS

INGREDIENTS

1 Teaspoon Ground Cayenne Pepper
1 Teaspoon Lemon Pepper
1 1/2 Teaspoons Garlic Salt
1 - 1 Oz. Package Dry Ranch Dressing Mix

1 - 1 Oz. Package Fiesta Ranch Dressing Mix
3/4 Cup Vegetable Oil
1 1/2 - 15 Oz. Packages Mini Pretzels

Instructions

Step 1: In a small bowl, mix together cayenne pepper, lemon pepper, garlic salt, ranch dressing mixes and vegetable oil.

Step 2: Place pretzels in a large, sealable plastic bag. Pour in mixture from bowl. Shake well. Allow pretzels to marinate in the mixture approximately 2 hours before serving. Shake occasionally to maintain coating.



2019 YOUNG MEMBER RETREAT SUCCESSFUL!

Dennis Kenning, Sales & Marketing Manager

The Farmers Cooperative Young Member Retreat was held January 26th at the Embassy Suites in Lincoln, NE. The retreat included 25 producers and guests from across the trade territory.

The event included a meeting, tour of Memorial Stadium, meals and beverages at Blue Blood Brewing Company, and a tour of the famous "Robbers Cave." Some of the meeting topics included: the importance of our young member owners, how cooperatives work, overviews of departments and what "Investing in our Owners' Success!" means to our member owners.

The retreat provides us the opportunity to meet with our younger patrons, explain our company and provide information about our projects. The retreat also serves as a recruitment tool for open positions on our board of directors. We also seek and value the input of the participants about our company.

At Farmers Cooperative, we realize our company's success is dependent on our patrons, both now and in the future. We appreciate all those who attended the retreat and would like other young patrons to consider attending the retreat next year. Again, thank you to our participants.

Farmers Cooperative Presents

Ladies NIGHT

DINNER & ENTERTAINMENT

Thursday, April 25, 2019

Saline County Fairgrounds 4-H Building

(13th & Tuxedo Road, Crete, Nebraska)

Doors Open at 5:15 pm

Event Starts at 6:15 pm

Performances by:

Gayle Becwar, Comedian/Magician

RSVP'S Required (Space is Limited)

Seats are Available from

March 1, 2018 - April 10, 2018

call 800-642-6439 or email at sharre@farmersco-operative.com

www.farmersco-operative.com

Your Spring FEED OPPORTUNITIES



Kevin Wittler

Feed Dept. Manager

Spring weather should be just around the corner and calving season is largely behind us as is the extreme cold. Your cooperative is once again offering your Spring Mineral and Creep Feed Booking Program. Contracting at reduced pricing is offered through September 30th, 2019. Spring Mag, Breeder and Fly Control Minerals are offered in either bagged loose or cooked molasses tubs,

whichever meets the needs of your particular operation.

Your spring calving cows are currently in a stage of production that requires additional mineral supplementation. A cow's requirement for phosphorus has increased and is high pre-calving through breeding. Calcium is required in high amounts as the cow progresses through her lactation stage. Calcium, along with magnesium supplementation, help to prevent grass tetany as we approach the early grazing season. Additional minerals and vitamins are critical to high fertility and fetal development and are essential for the immune system. The roles minerals play are numerous and essential for optimum productive performance.

Please remember to visit with your veterinarian prior to contracting if you plan on utilizing Aureomycin in your mineral program. We are prohibited from transferring ownership to you without a valid VFD. Please keep the nutritional needs of your momma cows in mind as we move into spring and be sure to contact your beef

specialist or nearest Farmers Cooperative location and take advantage of the savings to be offered through May 30th on your mineral needs.

New calves hitting the ground also means that spring calf creep feed season is just around the corner. We are receiving ample moisture and with warmer days on the horizon, grass should get off to a great start. Creep feed supplementation later in the season can take some pressure off your pastures as well as your momma cows. Calves will consume milk, creep feed and grass, in that order. This is why creep feeding your calves will stretch your grass, leaving more grass for your cows. Each additional pound of gain is certain to pay needed dividends.

If you are wanting to utilize your cooperative creep feeder programs and have not reserved a rental, rent-to-own or purchase option, please reserve those as soon as possible. Each year, our available supply becomes very tight during the prime feeding period and forecasting those needs allows us to most closely fulfill your requests. Availability of feeders allows your cooperative to help you as our producer owners capture the many benefits creep feeding your calves offers. We would certainly appreciate the opportunity to discuss those programs with you and provide a recommendation on what best fits your needs and performance goals.

We wish everyone a safe and successful season and sincerely appreciate and thank you for your business.



COLD WEATHER CRISIS: Propane Customers

Roger Kreifels, Propane Manager

As spring is on the horizon, we are beginning to wind down from one of the most challenging winter heating seasons we have had in a while. The cold started early in November and the rest of the winter was either negative temperatures or 60 degrees. In addition to the inconsistent temperatures, the eastern half of our territory had snow-packed roads that turned into ice and stayed that way through most of the winter months.

The temperature fluctuations created issues with our customers that have alternate sources of heat in their homes, such as wood/corn stoves and heat pumps. As the temperatures increased and decreased, the energy sources changed, making it nearly impossible for us to know at what point your propane furnace was running and when it wasn't. It is extremely important to let us know if you have a heat pump, wood/corn stove or any other alternate heating source. Out of over 15,000 deliveries per season, we have approximately a .7% run-out-of-gas rate and almost every single one of these homes has a heat pump or wood/corn stove. It is crucial to check your tanks to make sure you don't run out and to let Farmers Cooperative know about anything else that affects your propane usage, including water heaters or other propane appliances.

At the end of 2018, I stressed the importance of updating your contact information and if you have not yet done so, please update your information. With our delivery system, it is much easier to view propane usage during the non-

heating portions of the year. When we see usage, we need to know why. Is it due to something like a water heater, pool heater or other non-heating type of appliance? Or is it due to a leak in your gas system? The only way we can find out is by contacting you. However, on about 75% of our propane customers profiles, we either have no phone number or the number we have listed is out of service. Some of the gas leaks we have found in the past were very substantial, so for you and your family's safety, please take a few minutes to contact us at **800-473-4579** to update your contact information.

Saving the Farmers Cooperative propane number in your phone is extremely important as this is your contact for all propane orders, questions and after-hours emergencies. This phone number will put you in contact with a live representative 24 hours a day, 7 days a week. Our propane department does a wonderful job compiling all necessary information and making sure your order is delivered accurately and on time.

If you are an irrigation or grain drying customer, please store your delivery driver's cell phone number in your contacts. Because these orders are almost always same-day delivery, we want you to be able to call your driver directly. If you do not know who your driver is or do not have their cell phone number, please call **800-473-4579** and we will assist you.

I would like to thank everyone for their past and future business.

2019 PRODUCER MEETINGS

A big thank you to all the producers who attended the series of producer meetings - we appreciate your time and business. We had good turnouts this year with an average above 100 patrons per meeting. Thank you to every single person that helped create these events. These meetings give us a chance to showcase what is special about our company, services and exceptional employees.



BUY YOUR PROBLEMS ONLINE, SO BUYER BEWARE



Dennis Kenning
Sales & Marketing Mgr.

We now live in the day and age where anything and everything can be purchased on the Internet. In the consumer world, brick and mortar businesses are taking a hard hit from the online retailers. Agricultural producers should be aware of the many problems related to online buying as it relates to ag supplies. Remember, if it seems too good to be true, it probably is.

Experts say buying ag input over the web has led to a number of problems. One of the biggest problems with buying online is the quality issues of the product. Sometimes the seller will mislead the buyer or lack important details regarding the product. There have been several other issues such as delivery, logistics and additional charges. Like all online purchases, you may have problems with handling returns or the lack of security at the time of purchase. Plus, how will warranty issues be handled and who will pay for the additional return shipping for the product?

Crop protection is a real problem when purchasing over the Internet. Some online companies are selling counterfeit chemicals that are inferior to the real product. Other online stores say they are offering the same thing and then the product shows up on your doorstep as a generic. Depending on the situation, you may have to utilize more of that generic to do the same control as the real product. Today's agronomy requires the correct solution to properly control weed and insect pressure. We all know there are several types of platforms with the seed and chemistry that must fit together. Is it worth risking your crop to a mismatched chemical? Plus, don't forget as an applicator of these products you must follow the correct stewardship practices as established by state and federal regulations. It doesn't make a good neighbor if you burn crops off across the fence. Is it worth the risk as a producer and are you saving any money?

Buying your problems online is not limited to just chemistry. Another consumer purchased a set of tires online because of the "online discount." What the consumer received was a tire with a 4-ply load rating, which is unsuited to use for farming. A 4-ply tire has a maximum air pressure of about 35 psi and is not heavy enough for a 3/4 ton truck, especially if you're pulling a livestock trailer or nurse tank. In several cases, this tire is no heavier than a passenger car tire, so plan on changing flat tires. For this application, we would normally recommend a 10-ply tire which carries a pressure of 80 psi. Plus, remember we cover mounting, balancing, new valve stems and installation. Also, will that online company provide road hazard, warranty and free rotation? In several cases, if you watch for our tire specials, manufacturer's rebates and even regular pricing, you can buy the tires that fit your needs for the same price or less.

In the online world, once it's paid for and you receive the product, it's not the consumer's problem. Who's going to help you when something goes wrong? We believe there is real value in customer service, and don't forget about offering sound advice and technical support. Also keep in mind what Farmers Cooperative is trying to do for you and our communities. We provide equity and dividends, investment in facilities and equipment, tax support and local jobs. Will an online company support your fire departments, 4-H club and FFA chapter? Do they provide scholarships and conduct a hunger program for food pantries and backpack programs? How can online businesses support what's important to each of us when they're not part of the local community?

Farmers Cooperative is here to help you. "Investing in our Owners' Success!" means your success is our success. Chances are your online purchase cannot provide you with the customer service you need. Online buying lacks the human touch and experience. Farmers Cooperative does what the online world cannot do, you see. We care about you.

5 WAYS TO INCREASE YIELD AND EFFICIENCY TODAY



Wesley Hedges

Precision Ag Manager

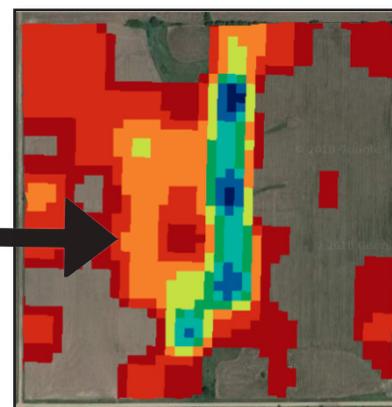
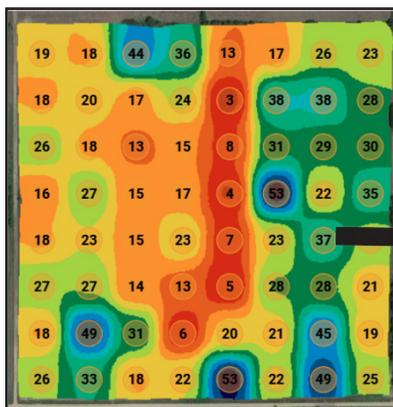
Did you know that in 2015, \$4.6 billion was invested into agtech? I think it's safe to say agtech/precision ag is here to stay and the farmers adopting agtech lead the way in continuing to increase yields and efficiencies on their farms. Part of my role at Farmers Cooperative is to find the best agtech we can provide to you that ultimately helps increase your profit margins.

Here are our top 5 Expanded Agronomy Products and Services we recommend you take advantage of this growing season.

1. Have any of your field yields plateaued?

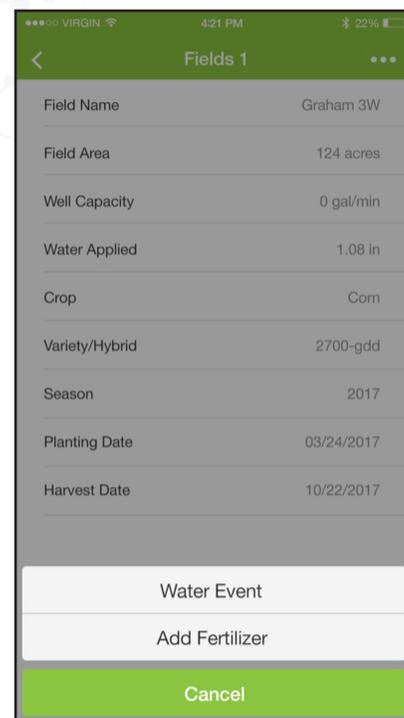
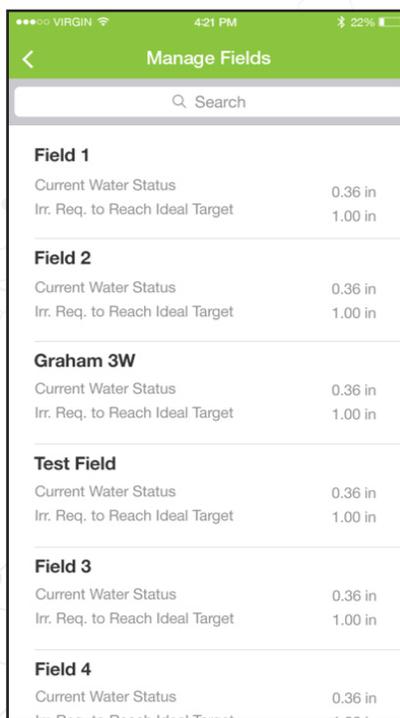
Optimum nutrient levels are necessary to achieve a field's maximum yield potential.

The best way to determine nutrient variability throughout the field is by grid soil sampling. Once nutrient levels are determined, we then correct the nutrient levels by independently variable rating the fertilizer (up to 3 products) in a single application.



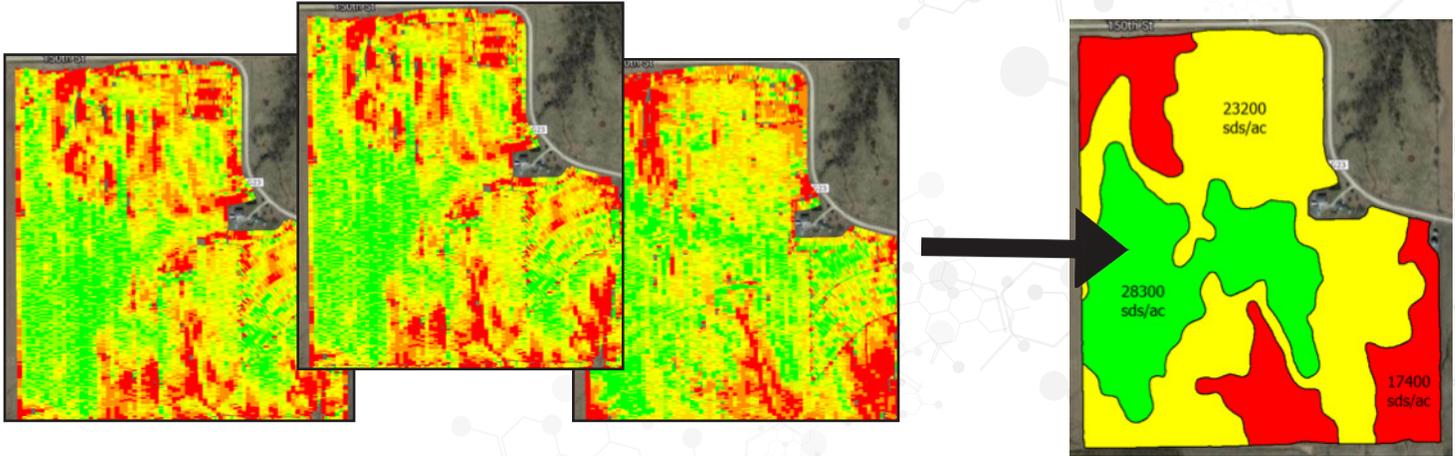
2. How to monitor soil moisture without high dollar in-field sensors?

Soil moisture sensors can become a costly investment. We offer a simple, low cost solution that tracks soil moisture levels based on hyperlocal weather, field characteristics and a cloud-based application.



3. Uniform Rate vs. Variable Rate

Variable rate can lower input costs and increase overall yield, compared to uniform rate. Simply putting the right rate of product where it needs to go increases overall efficiency. Our variable rate seed, nitrogen, and/or fertilizer blend Rx's are created by our agronomists and then approved by you to ensure you have the best Rx for the job.



4. Nitrogen Mineralization Depends on the Year

Nitrogen mineralization is different every year, which is primarily dependent on weather conditions. For this reason, we offer the R7 Field Forecasting Tool, which helps you track nitrogen levels in season. This program includes a tool for nitrogen modeling, tissue sampling, and rate/timing recommendations.

	07/06	07/08	07/10	07/12	07/14	07/16	07/18	07/20	07/22
20 Nitro	+27 sds +19 bu/ac	+25 sds +13 bu/ac	+24 sds +12 bu/ac	+22 sds +12 bu/ac	+22 sds +12 bu/ac	+20 sds +12 bu/ac	+11 sds +9 bu/ac	-2 sds +5 bu/ac	-17 sds +1 bu/ac
30 Nitro	+42 sds +19 bu/ac	+40 sds +18 bu/ac	+37 sds +18 bu/ac	+33 sds +16 bu/ac	+29 sds +16 bu/ac	+23 sds +14 bu/ac	+12 sds +11 bu/ac	-5 sds +6 bu/ac	-20 sds +1 bu/ac
40 Nitro	+54 sds +24 bu/ac	+51 sds +23 bu/ac	+45 sds +21 bu/ac	+37 sds +19 bu/ac	+32 sds +18 bu/ac	+21 sds +15 bu/ac	+9 sds +11 bu/ac	-10 sds +6 bu/ac	-24 sds +2 bu/ac
50 Nitro	+67 sds +29 bu/ac	+66 sds +29 bu/ac	+53 sds +25 bu/ac	+39 sds +21 bu/ac	+33 sds +19 bu/ac	+19 sds +15 bu/ac	+4 sds +11 bu/ac	-15 sds +6 bu/ac	-29 sds +2 bu/ac
60 Nitro	+81 sds +35 bu/ac	+74 sds +32 bu/ac	+58 sds +28 bu/ac	+43 sds +24 bu/ac	+32 sds +21 bu/ac	+16 sds +16 bu/ac	-1 sds +11 bu/ac	-20 sds +6 bu/ac	-34 sds +2 bu/ac
70 Nitro	+88 sds +38 bu/ac	+69 sds +28 bu/ac	+53 sds +24 bu/ac	+39 sds +24 bu/ac	+29 sds +21 bu/ac	+11 sds +16 bu/ac	-6 sds +11 bu/ac	-25 sds +6 bu/ac	-39 sds +2 bu/ac
80 Nitro	+93 sds +38 bu/ac	+64 sds +32 bu/ac	+48 sds +28 bu/ac	+34 sds +24 bu/ac	+24 sds +21 bu/ac	+6 sds +16 bu/ac	-11 sds +11 bu/ac	-30 sds +6 bu/ac	-44 sds +2 bu/ac
90 Nitro	+78 sds +38 bu/ac	+59 sds +32 bu/ac	+43 sds +28 bu/ac	+29 sds +24 bu/ac	+19 sds +21 bu/ac	+1 sds +16 bu/ac	-16 sds +11 bu/ac	-35 sds +6 bu/ac	-49 sds +2 bu/ac
100 Nitro	+73 sds +38 bu/ac	+54 sds +32 bu/ac	+38 sds +28 bu/ac	+24 sds +24 bu/ac	+14 sds +21 bu/ac	-4 sds +16 bu/ac	-21 sds +11 bu/ac	-40 sds +6 bu/ac	-54 sds +2 bu/ac
110 Nitro	+68 sds +38 bu/ac	+49 sds +32 bu/ac	+33 sds +28 bu/ac	+19 sds +24 bu/ac	+9 sds +21 bu/ac	-9 sds +16 bu/ac	-26 sds +11 bu/ac	-45 sds +6 bu/ac	-59 sds +2 bu/ac

5. Climate FieldView Plus

Map your data on an iPad during planting and harvest. Then view the data on your computer, iPad, and iPhone anytime.



Contact your local representative or Wesley Hedges at 402-239-3749 to learn more.

Tri-County Students Tour Jansen Dry Fertilizer Facility on February 27





Farmers Cooperative
PO Box 263
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NEBRASKA & KANSAS GUINNESS WORLD RECORDS



NE

Largest Advertising Poster

The largest advertising poster measures 311,314 ft² and was achieved by Arby's in Monowi, NE. Monowi was selected as the location because it is considered the smallest town in America.

Largest Hand-Drawn Maze

The largest hand-drawn maze is 1,072.08 ft² and was achieved by Eric J. Eckert in York, NE, on January 19, 2018.

Widest Torando Damage Path

The widest torando damage was estimated at 2.49 miles wide and was caused by the Hallam, NE, tornado on May 22, 2004.

Tallest Structure Built with Toy Timber Logs

The tallest structure of Lincoln Logs was 12 ft., 4 in. tall and was constructed by the city of Lincoln on April 13, 2013.

Longest Marathon Square Dance Calling

Dale F. Muehlmeier called for 28 hours for the American Cancer Society at a Wal-Mart parking lot in Norfolk, NE in May of 2000. After setting the record, he danced for more than two hours.



KS

Largest Serving of Nachos

Hundreds of people in Lawrence, KS, devoured a 4,689 pound serving of nachos. The cheesy creation was 80 feet long, three feet wide and more than 10 inches deep.

Fastest One Mile Run Backward

The fastest mile run backwards is 5 minutes, 54.25 seconds and was achieved by Aaron Yoder in Lindsborg, KS, in 2015.

Largest Tuba Ensemble

The ensemble included 835 participants, ranging in age from 11 to 86, and was achieved by the Kansas City Symphony.

Most Pancakes Made in One Hour

The most pancakes made in one hour by an individual is 1,127 and was achieved by Erica Price in Tecumseh, KS.

Longest Career as a Judge

Judge Wesley E. Brown, born in Hutchinson, KS, was a judge for 49 years and 295 days. He served continuously for the United States District Court from 1962 until 2012.