

PRAIRIE CENTRAL COOP *CONNECTION*



WHAT'S NEW



It's been a long and cold winter here in Illinois. At Prairie Central we have been quite busy since harvest.

A quick update on the new Chenoa elevator: It worked very well for the first harvest. We continue to make adjustments to the equipment and software. We experienced no lines with fast dumping. The corn harvest came very fast, so the big-push days were within a 7-10 day window.

We welcomed Rick Bauman as the Board of Directors President in August. Rick will lead the organization during a transitional period for both the cooperative and agriculture (*See Page 2 for his comments*).

Soybeans continue to be the talk of the commodity markets. The marketplace is in a transition from a decade of high-price, inverted and short supply market to a low-price, carry and burdensome supply mar-

ket. This transition is playing out with all of the world watching. What it may mean for Prairie Central is that we still have many bushels in farmer storage at the elevator. If this continues into late summer, we may need to charge an additional carryover fee for those bushels if they are still un-priced prior to the start of the 2019 harvest season. Market conditions at that time will influence that decision. There are many moving parts for all participants in the soybean supply chain. The potential to get smacked are on many fronts - tariffs, lower prices, burdensome supply, swine flu, South American supply, spring and summer weather...just to name a few.

Mark Heid
General Manager



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IN THE MIDST OF A TRANSITION

In August 2018, I was nominated as President of Prairie Central Cooperative. I am honored to serve, succeeding the leadership of outgoing President John Wahls. The transition has been met with the utmost confidence by your current board of directors and we look forward to continued success for the cooperative. Currently, the board includes 14 directors and 2 associate directors.

The 2017 Tax Cuts and Jobs Act is now in effect. These changes may impact decisions for the coop and our patrons. Tax items such as bonus depreciation, interest deduction, qualified or non-qualified patronage, and Section 199A are currently being reviewed. Prairie Central Coop management and the board of directors have been meeting regularly with our accountants to examine the impact. The prior tax code allowed PCC to follow a simplified model of: **be profitable, pay patronage, build elevators, redeem stock and minimize taxes.** The new tax code now puts our organi-

zation in the position to examine both the cooperative and patron's tax filing status, patronage and stock considerations, and anticipated future capital spending.

In recent months, we have strengthened our board of directors by adding Associate Director, Dr. Michelle Kibler of Illinois State University. Michelle has a PhD in Ag Economics from Colorado State University and currently lives in the Gridley area. In addition, we have been identifying those future potential board members to serve and lead our cooperative. We encourage all patrons to become more involved. On behalf of the Board of Directors of Prairie Central Coop, thank you for your continued trust and we look forward to another successful and productive year.

Rich Bowman

President, Board of Directors



HAVE YOU COMPLETED THE MASTER CUSTOMER AGREEMENT?



		Office Use Only P.C. Act # _____ W-9 on File <input type="checkbox"/> Version: 07/2015
Effective Date of Agreement: _____		
This Master Customer Agreement ("Agreement") is entered between PRAIRIE CENTRAL COOPERATIVE, INC., an Illinois cooperative (sometimes referred to as "PCC"), having its principal place of business at 33559 Hazel Street, P.O. Box 77, Chenoa, IL 61720-0077 and the following customer ("customer").		
Full Legal Name: _____		
D/B/A (if applicable): _____		
Type of Entity: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Joint Venture <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Estate <input type="checkbox"/> Other: _____		
If other than individual, list all involved in Customer's operation: (If no additional parties, leave blank.)		
1) Name: _____ Title: _____ Phone: _____	Principal Place of Business: _____	
2) _____	Customer's tax identification number is listed on a W-9 form submitted to Prairie Central Cooperative by the customer: <input type="checkbox"/>	
3) _____		
General Account Information		
Customer Name and Address: _____	Phone Numbers: _____	
	Home Phone #: _____	
	Cell Phone #: _____ Carrier: _____	
Email: _____		
I agree, if box is checked and initial and email provided below, the following email address(es) will be used for communications to transact business w/ PCC instead of any paper documents: <input type="checkbox"/>		
Email Address: _____		

PCC has made a goal to not only build and maintain relationships, but protect and safeguard our patron's information. With this in mind, and recent tax law changes, we have made the choice to pursue all customers having a Master Customer Agreement on file. The Master Customer Agreement also specifies terms and conditions of all the purchase contracts we offer. The form takes very little time and effort to complete and allows us to update our records to ensure the information you have on file with PCC is accurate. At the same time, we have also been updating the email/texting options we offer along with anyone wishing to sign up for direct deposit. If you have not been contacted yet and would like to have your information updated, please call Karen or Jeanie at the Weston Office or send an email to staff@prairiecentralcoop.com.

INGREDIENTS

Mix in Ziploc or Bowl

- (2) One Ounce Packet Ranch Seasoning
- (1) Half Cup Vegetable Oil
- (2) Teaspoons Garlic Salt
- Couple Shakes Onion Powder

On Baking Sheet

- (1) Nine Ounce Bag Oyster Crackers
- (1) Bag Goldfish Crackers
- (1) Half Bag Pretzel Sticks
- (1) Box Cheddar Cheez-It Crackers

the
RECIPE
from PCC



INSTRUCTIONS

Shake crackers and pretzels in Ziploc bag or pour and mix throughout on baking sheet.

Bake at 250 degrees for 20 minutes, mix around with a spoon and bake an additional 15 minutes or until golden brown.



SOYBEANS STOCKS

There has been a large focus on soybeans and many questions as of late. Are we close to a deal with China? If so, how many soybeans will they take? How many soybean acres will be planted this year in the United States? And how will that affect ending stocks? How is the South American soybean crop going to influence purchasing decisions of other bean importing countries? By all accounts, the United States and China are getting closer to a trade deal. There has been news reports that when a deal is finalized, the Chinese will buy large amounts of U.S. ag products and soybeans will be among the leaders. Is this news in the market already? Once a deal is announced could the markets decline because of a “buy-the-rumor, sell-the-fact” scenario? South America is already in soybean harvest and United States beans are more expensive than South America currently. As it currently stands, we are \$14.50 a ton more expensive than Brazil at this time and \$22.50 a ton more expensive than Argentina in regards to soybeans.

That is something hard to overcome. In the USDA outlook meetings last month, it was estimated that the United States will plant 85 million acres of beans this year compared to 89.1 million acres last year. When the marketing year ends on August 31st, the U.S. is expected to have 910 million bushels of soybeans left over. This is the largest carryover the U.S. has ever had, a 22% stocks-to-use ratio. Even with planting less beans next year, assuming average production and usage levels staying constant, we end up with 806 million beans left over, a 18.9% stocks-to-use ratio; still a lot of beans. There is not a lot of positive news in the bean market right now. **When making marketing decisions, be sure to have price levels in mind & have a plan to execute when prices get to your target level.**

Steve Feeney

Grain Marketing
Coordinator



MEET RYAN ECKHART

PONTIAC GRAIN ELEVATOR
ASSISTANT MANAGER



What's your background prior to being at Pontiac? I was born and raised in Lexington and went to Lexington High School. After school, I went to work for Home Sweet Home Ministries, then came on board with Prairie Central Coop. I have worked in Lexington, Meadows, and Ocoya prior to my current position as Pontiac Grain Elevator Assistant Manager.

What keeps you motivated? Everyday at Pontiac is not repetitive - there is always something different going on.

What challenges and opportunities do you see in the grain industry? Both Mark Heil (General Manager) and Darren Perrine (Pontiac Grain Elevator Manager) have always told me there will be opportunities in the grain business. I remember hearing “there will always be grain around” and it's stuck with me since.

What do you appreciate about Prairie Central Coop? I enjoy the benefit of a Coop Retirement Plan and 401K. The people are easy to get along with as well.

AVERAGE PRICE PROGRAM



- From April 15th to July 5th
- Price Calculated at End of Each Day
- No Minimum Bushel Requirement
- No Cost to Patron
- Last Year Average Corn Price: **\$3.66**
- Last Year Average Soybean Price: **\$9.55**

200% Increase in Participation in 2018!



OUR BOARD OF DIRECTORS



- | | | | |
|--------------------------------|-------------------|-----------------------|------------------------------|
| ■ Rick Bauman, President | ■ Terry Brown | ■ Greg McKinley | ■ Brandon Sancken |
| ■ Rodney Rhoda, Vice President | ■ Don Jacobs | ■ Dave Popp | ■ John Schuler |
| ■ Brian Schaumburg, Secretary | ■ Mike Winterland | ■ Clayton Rosenberger | ■ Dave Zehr, Associate |
| ■ Tom Kahle, Treasurer | ■ Mike Fogarty | ■ Brian Seeman | ■ Michelle Kibler, Associate |

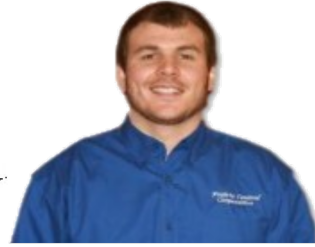
SPRING IS HERE



The weather this winter was a struggle for everyone, both on the farm and at the elevator. There was plenty of snow on the ground and wind chills below zero across the Midwest this year. At the elevator it was often a daily struggle to get tasks completed. Frozen equipment, ice, and frigid temperatures meant more people and resources were required to get grain moved and maintenance projects completed. The same problems were true on the farm too. Getting snow moved, equipment running and trucks started all took longer and some days were almost impossible. While we fight these issues every winter, this one was one of the more extreme in recent history. Areas in the Western and Northern U.S. had an even more difficult winter to deal with. This led to some grain marketing opportunities for us here in Illinois to ship more corn into markets that those in the west and north were unable to.

Now that spring is finally here we are enjoying the warmer temperatures as everyone anxiously waits for the ground to dry up so fertilizer and field work can soon get started. There is a lot of grain both in the elevators and on the farm that will begin to move as well when the weather improves and road postings are lifted. We see many stories and pictures from out west where farms, elevators, and even towns are under water from all the snow that melted and rains that continue to fall. Only time will tell what all this means for what and when crops get planted this spring.

Michael Kilger
Grain Merchandiser



CHENOA OPEN HOUSE



IMPORTANT DATES



- | | |
|--------------------|-------------------------------------------|
| April 19th | Closed in observance of Good Friday |
| May 27th | Closed in observance of Memorial Day |
| June 10th | Farm ID's Mailed Out |
| June 14th | Storage Confirmations Mailed |
| June 30th | Fiscal Year End |
| August 20th | Annual Meeting: 1:30pm, Pontiac Elks Club |
| August 20th | Patron's Dinner: 5-7pm, Pontiac Elks Club |