

Valley Coop, Inc. closed the books on another good year on March 31<sup>st</sup> 2015. With local earnings of just over \$737,000 and total earnings of \$920,000 before taxes. We will be paying out 55% cash (\$203,500) and 45% equity (\$166,500) this year of our \$370,000 patronage allocation. We will also be returning \$240,000 in DPAD deductions to the membership based on the patronage volumes this year which makes for a total allocation of \$610,000. We will basically be returning 83% of our local net savings for the year in cash and equity, with 60% being in cash and cash equivalents.

A very strong performance by the feed and agronomy areas and good grain earnings considering the short wheat harvest. Our feed production was up over 50% over the same period last year. Very good cattle feeding plays the main part. With good prices for the livestock sector, we continue to look to ways to better serve this vital industry. We will be adding a commodity barn at our Kellogg location as well as additional holding bin space for manufactured feed products. We will also be adding another semi delivery unit to our fleet to help to keep up with delivery needs. The feed departments work very hard to make sure you have what you want in a timely fashion.

The leg projects at Winfield and New Salem are complete and ready for a harvest test run. Unloading times should be much quicker from this point forward. We are doing the final shipments of grain in May so that we will be ready for the harvest to start in June. We are hopeful the dry weather and

freeze did not do major damage and that the late rains will be able to rescue at least some of the harvest potential. The tire shop and warehouse in Atlanta is coming along well. Final electrical work is being done in May and we are hoping to be moved in prior to wheat harvest starting.

We look forward to working with you during the upcoming harvest season and throughout the year.

Richard Kimbrel  
General Manger

Due to recent procedural changes at the post office, it now takes 2 to 4 days for local mail to be delivered rather than 1 to 2 days. In the past we have honored mail that was postmarked on the last day of the month to count as if it were received on the last day of the month and no finance charge was applied. With the current mail pattern, it is recommended that you mail your payments at least 3 business days before the end of the month to be received before month end. Our policies state that payments must be received by the last day of the month to avoid finance charges. **Payments received on or after the 1<sup>st</sup> of the month will no longer have finance charges written off regardless of the postmark.** Payments may also be dropped off at any of our locations. We have a mail slot to the left of our door at the main office-811 Mill Street in Winfield for after hours or weekend payments. Your help with this timing issue is greatly appreciated.



# OFFICE CHATTER

If you are a co-op member, you may be receiving a patronage check (based on your volume of business with Valley Co-op this past year) at the Annual Meeting that is being held on May 26, 2015. Any patronage calculating under \$5.00 has been applied directly to your equities in Valley Co-op. All checks that are not picked up at the Annual Meeting will be available for pick-up on May 27, 2015 at the Main Office- 811 Mill Street, Winfield, KS. All checks not picked up by June 23rd will be mailed. We will be mailing a Domestic Production Activity Deduction Allowance (DPAD) notification letter tentatively by November 15, 2015 to those patrons who qualified for the deduction.

When you get your patronage check, take some time to verify that your name, social security number and mailing address are correct. Please call our office (620-221-4343 or 1-800-221-4346) with corrections. In the event of a death, we have estate redemption forms available at the Main Office. If you have questions, please call me or Rick. A tax reminder--- the full refund- cash and deferred patronage – is reported as 1099 PATR. This amount can be found on the upper check stub- indicated by TOTALS- (blue arrow) – REFUND and repeated again on the next line that has information highlighted in pink with a red arrow pointing at PATRONAGE DIVIDENDS.

Harvest Notes- Wheat and Fall crops --- **PLEASE** have your truck drivers make sure the correct name and/or farm names are on the scale ticket before leaving the scales. If you have farm name changes- landlord splits – or new farm accounts, please call us ahead of time so these changes or additions can be made onto the system and be up and running when harvest begins. It is a **REQUIREMENT** that each grain customer have their Social Security Number listed on their account information on the computer. Each of the locations will have a form available to record the social security numbers or you may call in to the Main Office or any of the locations to give us this information. There will be **NO** grain checks released without a Social Security Number. In addition, it is important to have each producer either come in or call any of the locations (including the Main Office) to verify grain tickets for each farm. When the trucks are coming in fast and furious- and the bookkeepers are trying to keep caught up posting tickets, there is always a possibility of a posting error and the only way we can check it is to have the ticket verification done by each producer. Years ago we didn't split grain accounts until the producer had verified their tickets for each farm, which held up you and your landlords in marketing your grain. With the grain system that we are now using, if applicable, each ticket auto splits as it is entered onto the computer—which is quicker for the producer and landlord but can have some problems if producer/farm names on the ticket aren't correct or we inadvertently make a ticket entry error. It is much easier to correct a problem “sooner” than “later!” **PLEASE call or come in to verify your grain tickets when you are finished!**

If you are going to do direct ship grain, you will need to get bill of ladings from one of our Valley Co-op locations **BEFORE** delivering to the direct ship location. When you deliver your grain to the direct ship location, they will complete the bill of lading and give you a copy. This copy **MUST** be turned in to one of our locations **ASAP**, as the information must then be entered onto the CGM grain system. As always, please come in or call any of the locations or the Main Office to verify your scale tickets. If there is a correction to be made, it is much easier to correct it ASAP!!

We look forward to serving our patrons another year at Valley Co-op, Inc.

Donna and Rebecca

# Kellogg Comments

Spring is here and summer is just around the corner. Just like the seasons everything is always changing. A big thank you to our feed customers, new and old, for their business this past winter. As Rick mentioned in his article, with a 50% increase in production it kept us busy. We extended to 15 hour days, splitting the crew up with 2 people starting at 6 AM and 2 people starting at 10 AM and running 9 PM or later. We were out a little longer on delivery dates than I liked but with the changes we are making this summer and by adding another 24 ton delivery unit, hopefully it will put us back where we need to be. Thanks to everyone for working with us.

Speaking of changes, beginning December 2016, strict new regulations are set to take effect that would alter the way antibiotics are used in food for animals.

Documents released by the Food and Drug Administration (FDA) Center for Veterinary Medicine stated principles for which the FDA Center for Veterinary Medicine seeks voluntary compliance from the pharmaceutical industry. These principles include:

- 1.) The use of medically important antimicrobial drugs in food producing animals should be limited to those uses that are considered necessary for assuring animal health.
- 2.) The use of medically important antimicrobial drugs in food producing animals should be limited to those uses that include veterinary oversight or consultation.

What does this mean for the average stock producing customer for Valley Coop? The biggest thing for producers is to have a veterinarian that knows your operation. As of December 2016, a veterinarian will have to authorize any antibiotic used in feed except for ionophores (Rumensin, Bovatec, Catalyst), the bambermycins (Gainpro), bacitracin (BMD, Baciferin), and tiamulin (Denegard, used in swine). All other antibiotics used in feed are classified as “medically important” (based off of importance in human medicine) and will require veterinary feed directive (VFD), which requires knowledge of the client’s operation.

This means that a VFD will be required for any type of medicated feed containing a medically important antibiotic, including medicated milk replacer and even small quantities of feed for home raised animals, such as show cattle. The details of what constitutes a “free choice feed” in a range situation are still being worked out, but it seems that range mineral and range cubes will be included in the requirements.

In addition, all water antibiotics will require a prescription as of December 2016. The same is true for medicated milk replacer and medicated feeds if they contain a medically important antibiotic. The final VFD rule is expected out soon, and then veterinary groups, producer organizations, regulatory officials, and even state legislators will need to put their heads together to refine the details of how this will get done.

You should expect a lot of updates and information out on this subject, especially in 2016, as the time for change draws near. There is no reason to change at the current time, as the drug labels must change, which will most likely be phased in over a short period near the end of 2016.

With harvest around the corner, just a reminder to be sure the driver knows the name to be put on the inbound ticket. Be careful of the intersection north of the elevator. Market hours for selling are 8:00 AM – 1:00 PM, Monday through Friday.

In other news I would like to welcome Scott Murphy to our crew. Scott is a Udall native with a background in farming and dairy production. He will be driving one of the feed delivery trucks as well as helping in the other areas as needed.

As always, thanks for your business and have a safe summer.

Donnie and the Kellogg Crew: Mark, Ingrid, Roger, Tony, Larry, Logan, Ryan, Derek and Scott.

# News From the South

Kansas weather never ceases to surprise me. Earlier this spring I was beginning to wonder if we were ever going to catch any moisture, but then rains came and sure have been beneficial for the upcoming wheat crop. It appears to be in a lot better shape than it did a month ago in my opinion. Weather conditions seem to be favorable for filling at this point and hopefully we will have another decent crop to put in the bin this year.

There are still a lot of soybean acres to be planted in this immediate area so as soon as it dries up a little bit we'll be in full force with pre-emergent spray application. With that, I would like to take this opportunity to welcome Frank Kill to our team here at Hackney as our new commercial applicator. We would also like to thank our Board of Directors for the approval of two new Case applicator machines and look forward to the newer technology they offer. Hope everyone has a safe and bountiful harvest, and, as always thank you for your continued support of your cooperative.

Hackney Crew: Todd, Stacie, Les, Chance, Nate, Frank R. and Frank K.

# Hello From Beautiful Downtown Winfield

As wheat harvest is about here, everyone is guessing what their yields will be. Anywhere from 20 to 50 bushels per acre. We will not know until it runs in the bin.

This will be my last year working wheat harvest for Valley Coop. I started off at Burden in 1990. It's been quite a ride and I have enjoyed it. I will miss all the people I have met over the years and I have worked with some of the best people around.

Now comes the sales pitch. We have a lot of different flea and tick products for your pets. With all the rain ticks and fleas are going to be a real problem.

As always, we have all your feed needs-come see us. Have a safe and great harvest.

Ron, Todd and Chad



**We will be  
closed May 23<sup>rd</sup>  
and May 25<sup>th</sup> in  
observance of  
Memorial Day.  
Please have a**

**safe holiday.**



We are very pleased with progress on our new building. We have moved the tire repair equipment into it and are in the process of getting the other supplies and repair shop tools moved. We are so thrilled to have such a nice facility. Come by and check it out.

Don't forget that if we don't have your tire in stock we can usually have it delivered the same day if we order before noon.

We are back in the fields with fertilizer and chemical application. Let us help you with any of your crop needs. The rains have definitely improved our outlook.

There are some definite advantages in using a pre-emerge on soybeans. Consider that pre-emerge option as we struggle with some of the now troublesome chemical resistant weeds.

Some of you are probably aware that Terri has been laid up with a broken Tibia. She hopes to be back to work soon.

Looking forward to harvest and meeting all of your agriculture needs. Stop by to see us. The coffee pot is always full.

The Atlanta Crew,  
Darren, Katherine, Jimmy, Terri, Andy, Paul, Mike, Lyle, Justin & Ric

## **News from Burden and New Salem**

I am so happy it has finally warmed up. It was a long cold winter. On a better note we are getting some much needed rain and luckily we missed all the bad weather. Here at Burden we are ready for wheat harvest. The new leg and pit is ready to go at New Salem. We are in the process of getting the last of the soybeans out. Then we will be ready for harvest. Also we have a new hand, Bobby Hull. He will be running the New Salem elevator this year. Stop by and meet him.

Thanks for you Patronage,

Nick, Bobby and John



## Applesauce Pork Loin

Recipe Submitted by Donna Fagg

1 boneless pork loin roast (3 pounds)  
1/2 teaspoon salt  
1/4 teaspoon pepper  
2 Tablespoons vegetable oil

1 cup applesauce  
3 tablespoons Dijon mustard  
1 Tablespoon honey  
3 fresh rosemary sprigs

Sprinkle roast with salt and pepper. In a large skillet, brown roast on all sides in oil. Place on a rack in a shallow roasting pan. Combine the applesauce, mustard and honey; spread over roast. Top with rosemary. Bake uncovered at 350 degrees for 1 to 1-1/4 hours or until thermometer reads 145 degrees. Let stand for 10 minutes before slicing.