

As we have closed out this fiscal year of Valley Coop, Inc., I am pleased to report a successful year in being able to return some great patronage back to our loyal patrons. Even with some challenges with depressed grain margins/prices, tough weather in getting work done and the change in management, Valley Coop has returned strong financial results to its members. This year the coop has earned \$743,196 in local savings vs. \$590,914 last year and gross savings were up to \$833,684 vs. \$766,313 last year. The board has decided to give back a handsome amount back to the members in patronage of \$333,334. A generous sum of this patronage will be given back in cash in the amount of \$200,000. This year's results would not have been possible without the dedication of the coop's employees and the loyalty of the cooperative's members. It pleases me that this result puts Valley Coop in a strong position to grow and to be able to seize opportunities as they present themselves.

This year we have made numerous improvements to our feed and grain facilities. The Kellogg location has added another semi and feed trailer to their fleet which has helped to push our delivery capacity to more than 1,500 tons/week for much of the feed season. The feed mill has received some much needed repairs and upgrades to work more efficiently. At Hackney, the new 20,000 bushel/hour leg has sped up the location's ability to get the harvest in quickly and reduced wait times at the elevator. Much emphasis has been placed on improving our agronomy department's services. The coop employed a full time agronomist/crop consultant at the first of the year and has rolled out a new

competitive pricing structure to help our member's bottom line. If you haven't had the chance to use our agronomist, be sure to contact David Abel, as he has proven to be a great asset to our producer's operations.

Looking forward into the next year, my goal is to build our balance sheet to put Valley Coop in the best position possible for opportunities that will happen down the road. The board will also be looking into what improvements we can make in capital assets to our grain and feed businesses. I look forward to what is happening with our agronomy department and it will continue to evolve to be a great service division of the coop. Our goal is to be the best standard of consulting services as well as be the best overall value to the farmer with the extras that we are now able to provide. Valley Coop will be able to assist the farmer members from recommendations, seed, fertilizer, chemical products and custom application.

I feel extremely blessed to have had the opportunity to have served you in this past year as Valley Coop's general manager. An excellent foundation had been set for me and the employees to make the coop's year successful and I want to thank past management and employees that have helped in achieving that. I thank you for all your support and loyalty to Valley Coop and I look forward to working towards another successful and fruitful year.

Cooperatively Yours,

James L. Jirak

General Manager

Kellogg Comments

Another feed season has come to a close. We had another record year of sales and production. We set an all-time record of manufacturing one week in December. We produced 1200 tons of pellets. The old record was 1060 tons just the year before. During the five months of November, December, January, February and March of Feed Season, the mill produced 20,000 ton with a weekly average of 1000 ton per week. I know this just sounds like a lot of numbers but to put it into perspective of what it takes to do this in one week here are some more numbers—on an average we unload 25 semi loads of ingredients. We grind 13,000 bushels of wheat and milo per week. We run two-9 hour shifts starting at 6:00 AM and stopping at midnight. Once it is all made, we have to deliver it. We are running three 24 ton semis and two 16 ton bobtails. These trucks delivered an average of 55 loads per week or 11 per day. I know these are just numbers but I have never really ever stopped and thought about them. We just did it. So after all said and done I want to give a big Thank You to all of our customers for the continued business and to the employees for their dedication.

One season closes and another seems to open. Spring planting has been going on in between all the rains and wheat harvest is just around the corner. This year with the onslaught of dicamba beans it is really, really important to know what is planted where. When turning in your acres be sure to let us know what you have planted and where so we can avoid any damages to your crops or the neighbors.

The elevator is ready for harvest. Tony Harris, our elevator operator, has been battling a bout with cancer this winter. Please keep him in your thoughts and prayers and wish him a speedy recovery. I myself have been out for some minor surgery and have had Terril Mettling assisting in the crop production side of the business. He will be glad to assist you in taking your spraying and spreading orders.

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

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



Wheat Harvest Notice

We want to be here when you need us! This wheat harvest, please stay in contact with the locations that you are bringing wheat into. This is especially important later into the evenings as we want to be sure we are ready to dump your trucks that you want to bring in. If you call, we will be sure to work with you! The direct numbers to the locations are:

Atlanta: 620-394-2290

Burden: 620-438-2314

Hackney: 620-221-4370

Kellogg: 620-221-0154

New Salem: 620-221-4290

Winfield: 620-221-2079

Main Office: 620-221-4343

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 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!**

Direct Shipment

If you are interested in direct shipments to an area grain terminal, be sure to give us a call first. With the marketing power of CoMark Grain Marketing, we can often provide a better bid than if you go it alone. Call James at 620-221-4343 to get current bids during harvest. If you are going to do direct ship grain, you will need to get bill of lading 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.

Wishing each of you a safe and bountiful harvest!



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, 2017. 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, 2017 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 in October/November – no later than November 15, 2017 – 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 Donna or James. 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.

As some of you may know, Rebecca is in transition of leaving our office to be a full-time “at home” Mom with her three children. Her replacement will be David Leonard. David worked as a part-time intern in the Main Office for 2 years. When he graduated with a MBA in Business Administration from Southwestern College in May 2016, he went to our Hackney location as a spray applicator. David was moved to the Main Office in January and has been working with Rebecca in his learning process of the CGM grain as well as Accounts Payable. He will be entering scale tickets for the Winfield and New Salem elevator locations as well as doing grain settlements. Rebecca will be working part-time during harvest to assist him. Please welcome David to our Office Crew!

As always, we look forward to serving our patrons another year at Valley Co-op, Inc. Without each of you, there would not be a Valley Co-op, Inc.!

Donna, Rebecca and David

News from the North

We are busy catching up on all of the fertilizer and chemical application. The rains held us out of the field as it has most of you. Now we are working to get all of your needs met in a timely manner. It seems the rains have started again.

The wheat is looking really good. Harvest will be here before we know it. Many of you took advantage of the helicopter application of fungicide.

Those of you who are planting soybeans should consider a pre-emerge weed control program. Kill the weeds below the ground as well as the weeds above the ground.

Don't forget we have a variety of animal health products available. We also have tires available as well as daily ordering and delivery of other special needs. Check our prices. Shop your local coop. Stop by and check us out. The coffee and conversation are always ready. We welcome your visit.

Have a safe harvest.

Valley Coop-Atlanta, Darren, Jimmy, Terri, Andy, Paul, Katherine, Justin and Lyle

HAVE YOU HEARD THIS ONE?



On a beautiful sunny morning there were two cows in a field. The first cow said, "Mooo" and the second cow said "Baaaaa."

The first cow was surprised and asked the second cow, "Why did you say baaaaa?"

The second cow replied, "I'm learning a foreign language!"

Board of Director Elections



During the Valley Coop Annual Meeting held May 25th, an election of board members was held for two expiring terms. The candidates

for those seats were Brad Bryant, David Burdette and Zack Hillier. After the votes were counted David Burdette and Zack Hillier were elected to fill the two board seats for three year terms.

Darrell Long Retires from Board of Directors

Board Chairman Darrell Long is stepping down from the Valley Coop Board of Directors after serving for the past 9 years. Darrell has served three, three year terms, and therefore is not eligible to run for another term this year. Darrell has served the last three years as the Board Chairman where he has guided the coop through many building improvements, growth and management change. His absence will be felt on the board and the coop would like to thank him for his service, dedication and loyalty to the coop. Being on the board is an important role as the board sets the direction and vision of the coop while best representing the members of the coop.

News from Burden and New Salem

Well it's been rain, rain, and more rain. Sure seems like every time it dries out to where we can start to do something it rains again.

We are busy trying to get everything cleaned out and ready for wheat harvest. Isaac will be moving over to take care of things at New Salem this year. Since Isaac will be going to New Salem we have hired Scott Loving to work here at Burden, so if you're in the area stop in and meet him. I will be keeping a limited supply of Soybean seed on hand this year, so if you need some please call ahead and I will have it setting here ready to go.

Thank you for your Patronage,

Nick, Isaac, Scott

On the Farm Fuel and Lube

Valley Coop is offering on the farm fuel and lube delivery to our members. The fuel tanks and setup are many times free of charge and delivery is controlled by an on-site monitor to alert us when you need a delivery. You are only charged on your usage through the AFD fuel program. If you are interested in learning more, please contact Abbey Sivils at (316) 680-8549.



Fruit Crescent

Recipe Submitted by Ingrid Elam

2 cans crescent rolls	1 cup sugar
2 Tablespoons vanilla	2 large packages cream cheese
2 cans pie filling (your choice, apple, blueberry, cherry, etc.)	
1 egg yolk	2 Tablespoons water

Spread 1 can of crescent rolls on bottom of jellyroll pan. Bake at 350 degrees for 4 minutes. Cool. Mix sugar, vanilla, and cream cheese. Spread on top of crescent rolls. Spread pie filling on top of the cream cheese mixture. Place 2nd can of crescent rolls on top of fillings. Beat egg yolk and water. Brush on top layer of crescent rolls. Bake 20 to 30 minutes at 350 degrees.