

Another fiscal year come and gone. Valley Coop closed another good year March 31, 2009. Thanks to the good crops and diligent work of our employees we had the best year in the short history of the current association. Local savings just over \$607,000 before income taxes. I want to thank each of you for your patronage, without you growing crops and using inputs from YOUR Coop, it could not happen. We will be distributing back to our members over \$418,000. The cash portion will be just over \$167,000 or 40%. We look forward to seeing our members at the Annual Meeting on May 28th.

CGM, LLC did a great deal to make the success we had this year come to light. Our grain marketing LLC had a great year and the additional savings to Valley Coop are estimated to have been around \$200,000. We look forward to the years to come. One thing CGM, LLC offers us is the ability to direct deliver grain to terminal locations such as Scoular Grain in Wellington, DeBruce Grain in Wichita, ADM Milling in Arkansas City, Enid and Hutchinson among others. You will receive terminal bids and have the ability to store your grain or sell it. The terminal scale of premiums and discounts will apply to shipments going directly to the terminals. You will need to get a CGM, LLC bill of lading from your local Coop location and fill it out. After delivering the grain to the terminal you bring the paperwork back to your local Coop location for further processing to your account. You may then sell or store your grain just as in the past. We have direct ship bids on our website at vcoop.com. Please visit with myself or any location manager about this grain marketing tool. You will have the ability to earn patronage on bushels delivered to the terminal just as you do grain delivered to any of our local elevators. The patronage rate may be different than grain delivered to our elevators. The board of directors will set that at years end.

This year we will start handling only NuSun variety Sunflowers. We are going to be going to the Oil market and will be paying Oil premiums and discounts. It seems our patrons feel that they can get better value in the oil market compared to the bird seed market. We are here to do the best

we can for our producers and thus the change. Act of God contracts are available or straight marketing of the grain is still an option. We will again take Sunflowers at our Atlanta and Winfield locations. As we are going to the oil market this year there will be a \$12.00 charge per load for sampling and testing the loads this year. We will also be checking each load before unloading to see if it is truly a NuSun variety, as the marketplace we will be going to only accepts loads within a range of 55% to 75% Oleic content. A copy of premium and discount schedules may be picked up at the Winfield office or any other location of Valley Coop, Inc.

Another change this year will be the handling of corn at our Winfield location. We hope this will better use our facilities this coming fall season and give our patrons another delivery point so as to reduce mileage from field to elevator. As always we appreciate moisture being under 15.5% on all corn.

We will continue our efforts to spruce up facilities again this year. We have painting of the Hackney elevator facilities on the agenda for this year. We will continue our efforts to make the rounds of all our facilities as time and money permit. Keeping your facilities in good working order is a priority. We look forward to working with each of you this coming year.

If you get a chance tell your Valley Coop, Inc employees at your location that you appreciate what they do for you and YOUR business. I certainly appreciate that they make my job easier. Your Board of Directors also deserves a pat on the back for their efforts in moving your Coop forward.

Richard Kimbrel
General Manager



Kellogg Comments

We have had a busy feed season, and as it came to a close we were ready for a nice consistent spring, but Mother Nature had other plans. When it dries up, everything will have to be done at once. We have all the equipment ready to go and have a good supply of fertilizer, chemical and seed for your needs. Please give us as much notice as you can on what you need to have done so we can take care of everybody on a timely basis.

We have extended our mineral booking. You can still book Valley 4 plain mineral and Valley 4 medicated mineral until June 1st, and along with that the final pickup date has been extended to September 1st. Book now and save \$50.00 per ton.

Combines will be rolling before long. Remember to set your machines to take out material that isn't wheat. The better your machine cleans, the less dockage there will be. You don't like seeing it on your tickets and we sure don't enjoy writing it.

As always, thanks for your business and be safe.

The Kellogg Crew,

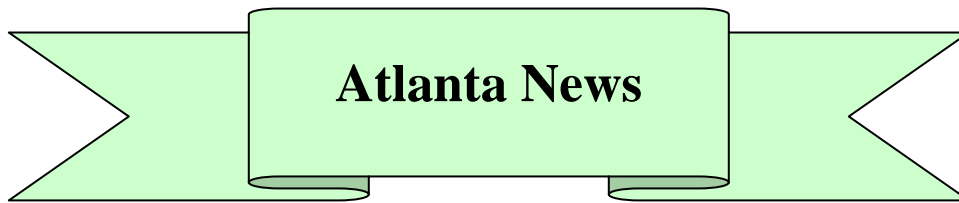
Donnie, Ingrid, Mark, Stan, Roger, Tony, Larry and Logan

News from Burden and New Salem

Seems we have been blessed with a lot of rain which has kept everything slowed down some. We are trying to finish shipping grain, so we can get all the bins cleaned up for harvest. We still have plenty of soybean seed if you are needing some. Not a lot of news as usual. Hoping you will have a good and safe harvest. Look forward to seeing you at Burden and New Salem.

Bill, Nick, Bobby and Marc





Warmer weather is finally here, hopefully no more late ice storms or early spring freezes. With inspections of the wheat in the Atlanta area it appears we have little or no damage from the ice storm or any hard freezes up to the end of April. Have heard this is not the case west of here. Another concern is disease pressure from all the wet cool days. Of course when the combines are rolling through the field we will really know. We have given up on wheat before and it has surprised us to what the crop can handle.

Heavy and persistent rains have delayed getting the corn planted at the optimum time frame this spring. Much of the crop was planted later than normal with wet weather coming again the last week of April and 1st week of May. I'm sure some acres will be switched to other row crops. If your seed needs change, just let us know. We try to be as flexible as needed.

A Marketing Meeting was held in Winfield for area producers to learn new or sharpen their grain marketing skills. Many ways to market a crop were discussed. If you would like more information or were unable to attend the meeting, please stop by to visit about what might fit your operation. Something new is "Direct Ship", it allows the producer to haul directly to a terminal elevator and receive the terminal price. The difference is the check is written at the Valley Coop branch. If you traditionally haul grain to terminals like ADM, DeBruce or Cargill and would like to discuss the details of this plan please call.

Have you considered Forage Sorghums or Sudan Grass as a feed option? The genetics have really improved; they are no longer the hay grazer's from years ago. Older varieties had a thick stem with very little leaf and took a long time to dry when cut for hay. Here are some options that are available, much more flexibility than before.

One cut hay, high quality

One cut hay, high yield

One cut hay, then graze regrowth

Two or more quality cuts

Multi cut, rapid dry down

Double crop after wheat for hay

Double crop after wheat, pasture

Full season silage, no grain

Full season silage with grain

Double crop after wheat, silage

Graze after frost

If you are undecided on a row crop to plant and need some extra feed for cattle please contact us for the right variety, 394 2290 or 800 826 8875. Thanks for your business and have a safe and bountiful wheat harvest.

Kirk

CHAFF IN THE WIND

Once again spring has arrived in the sprawling metropolis of Hackney. It seemed like old man winter was going to hang around longer than the in-laws. Very happy to see both leave. It's always good to see the grass greening up too because it gives the guys in the feed mill a welcome break.

With all the rain we have received recently it appears that the planting season is going to be condensed. I encourage you to communicate with us in advance so we can get your acres covered in a timely manner.

With wheat harvest just around the corner I would like to remind everyone that has a new landlord or tenant to contact us ahead of time to set up any new grain accounts. It is a whole lot easier to get the splits set up BEFORE the truck pulls on the scale.

If everything goes as planned the elevator and feedmill will be getting a paint job in the near future. I just can't wait to see the end results.

In closing, we very much appreciate your patronage and patience and look forward to serving you in the future !

Jim M, Jim N, Marty, Stacie, Hoss, & Les

Hello from Beautiful Downtown Winfield

Think it will rain? Will April and May showers bring twice as many flowers? Well, I'm sure it will bring on more weeds. We offer a great line of weed killers, unlike the watered down products others offer.

Sioux Steel mineral feeders are on special till our supplies run out. The ground mineral feeder is the heaviest on the market today. Three compartments allow for 200 pounds of salt or mineral.

We just wrapped up another fiscal year and I would like to thank everyone for making it a very good year.

As wheat harvest will begin soon, let's have a safe one and remember safety is the best reward we can give ourselves.

Ron, Robert and Gary



We will be closed May 23rd and May 25th in observance of Memorial Day. Please have a safe holiday.



OFFICE CHATTER

Our first harvest of the year is over--- that would be our Annual Audit conducted by Campbell, Shaffer & Company, P.C. at the Main Office in late April. Rebecca and I were ready--- glad to see it come and glad to see it over!

If you are a co-op member, you may receive a patronage check (based on your volume of business with Valley Co-op this past year) at the Annual Meeting. 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 at the Main Office- 811 Mill Street, Winfield, KS. Stop by and see Rebecca, Rick or me to see if you have a check waiting for you. All checks not picked up by June 23rd will be mailed.

Converting the CGM grain information over to our Valley Co-op, Inc. computer program went very smoothly. The only difference that you will see on the patronage check stub will be that the all grain volume patronage is paid on the bushel. (In the past, we have paid patronage on wheat by the bushel and all other grains by the cwt.)

When you get your check, take some time to verify that your name, social security number and mailing address are correct. Please call our office (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 Rick or myself. A tax reminder--- the full refund- cash and deferred patronage – is reported as 1099 PAT. This amount can be found on the upper check stub- indicated by TOTALS- (blue arrow)- REFUND.

Now- on to the “next” harvest --- wheat harvest. Have your truck drivers make sure the correct name and/or farm names are on the scale ticket before leaving the scales. 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

**DISCOUNT/PREMIUM SCHEDULE
FOR OIL TYPE SUNFLOWER SEED
EFFECTIVE: April 20, 2009 (for new crop 2009 and beyond)
SEED PRICE BASED ON:**

40% OIL – 10% MOISTURE – 25 LB. TEST WEIGHT – 55%-75% Oleic

OIL: A premium as % of contract price as follows: 41.0 to 41.9 = 1.25% 42.0 to 42.9 = 2.50% 43.0 to 43.9 = 4.50% 44.0 to 44.9 = 6.00% 45.0 to 45.9 = 8.75% plus an additional 1.75% per point up.

A discount of –2% of c/p for each 1% under 40.0% to 38.0%, -3% of c/p for each 1% under 38.0%, - 32.0%, 3.5% of c/p for each 1% under 32.0

MOISTURE: A discount of –2% of c/p for each 1% over 10% to 11%, -3% of c/p each 1% over 11% to 12%. Moisture over 12% will be subject to rejection.

TEST WEIGHT: A discount of –1% of c/p for each .5 lb. under 25 lbs.

HEAT DAMAGE: 0.5% is allowed, -2% of the c/p for each 1% over .5% up to 5.0%. Heat damage over 5.0% will be subject to rejection.

REGULAR DAMAGE: 5.0% is allowed, a discount of –2% of c/p for each 1% over 5.0%, prorated.

INFESTED: A discount of –3% of c/p for each 1.0%. No COFO seeds accepted.

STONES: -\$.05 cwt. For 1-10 stones, -\$.01 cwt. each 1 over 10 stones.

OTHER: Sour and/or musty, heating, or low quality seeds will carry a discount of –2% of c/p and will be subject to rejection.

FOREIGN MATERIAL: All foreign material is deductible as dockage, -1% for 1%. With an additional discount of –1% of c/p for each 1% of foreign material over 12%.

OLEIC CONTENT: If Oleic content is below 55% seeds are subject to rejection, if accepted there will be a minimum discount of a \$1.00 per cwt to the posted Nusun spot price F.O.B. Goodland on the day of unload. If the Oleic content is above 75% and accepted, the hi-oleic seed will be settled at the hi-oleic spot price F.O.B. Goodland on the day of unload. Any Oleic content below 55% or above 75% is subject to rejection.

ALL PERCENTAGES ARE PRORATED

GRADE DETERMINATION SHALL BE ACCORDING TO THE U.S. OFFICIAL GRADES FOR SUNFLOWER SEED STANDARDS SET FORTH BY THE FEDERAL GRAIN INSPECTION SERVICE OF THE U.S.D.A. EFFECTIVE June 1, 1997. A GRADING FEE OF \$12.00 PER TICKET WILL BE DEDUCTED AT THE TIME OF SETTLEMENT.

SUBJECT TO CHANGE WITHOUT NOTICE

NUSUN™ is a registered trademark of the National Sunflower Association.



Chocolate Peanut Butter Cookies

Recipe Submitted by Donna Fagg

2 ¼ c. flour	2/3 c. brown sugar
2/3 c. Nestle Cocoa	1 tsp. vanilla
1 tsp. baking soda	2 lg. eggs
¼ tsp. salt	1 2/3 c. Nestle Peanut Butter & Milk Chocolate Chips
1 c. butter or margarine	(11 oz. package)
¾ c. sugar	

Combine flour, cocoa, baking soda, and salt in a small bowl. Beat butter, sugar, brown sugar and vanilla until creamy. Beat in eggs. Gradually beat in flour mixture. Stir in morsels. Drop by well-rounded teaspoon onto ungreased baking sheets.

Bake for 8 – 10 minutes or until centers are set in a preheated 350 degree oven. Cool on baking sheets 2 minutes- remove to wire racks to cool. Makes 3 – 4 dozen- depending on cookie size.