

As I write this newsletter article (5-2-13) it is cold 40 degrees and windy 20 mph with gust to 30 mph and rainy. The last part about being rainy is just fine, the cold is not. We continue to experience unusual Spring weather. Many frost events over the past few weeks have given concern for the wheat crop prospects. To this point the moisture we have received has far outweighed the cold temperatures, but some wheat has headed now and a possible freeze tonight could do some real damage to the crop. We will all pray that again the moisture we are receiving will be of more benefit than the cold temperatures.

Your Cooperative has just closed another very good year. In the face of a second year in a row with a failed Fall crop we can count ourselves fortunate to have had a record Wheat crop and a great feed season. Net earnings for the year after taxes were \$811,329 compared to \$886,624 in 2012. Sales were up around 1.5 million over the previous year. Patronage distribution will be \$400,000 with 60% paid in cash and 40% in equity. There will also be an additional DPAD pass thru of \$207,000, which can be used as a dollar for dollar reduction of your income. We do appreciate your business and look forward to working with you in the coming year.

At our Board of Directors planning retreat in March, we discussed many things about your cooperative. Our main focus in the future will be to continue to upgrade facilities to best handle our patron / member needs. Prioritizing what to do first is the challenge. Future projects will include new legs at the Winfield and New Salem

facilities to better handle incoming grain at harvest times. Overhead load out bins at these same facilities to improve load out abilities. An upgrade of the Kellogg feed mill by adding a second pellet mill and increasing the capacity of the pelleting process. We will incorporate new coolers, shaker and leg to handle the increased capacity as well as revamping the sacking operation. We are also looking at new shop and tire shop areas for Atlanta along with vehicle and equipment storage.

It takes a lot of dollars to keep your company operating and improving facilities and equipment. None of this would be possible without the continued support of our patrons and the dedication of the Valley Coop employee group. We thank you for your business and look forward to working with you over the course of the year.

Richard Kimbrel
General Manager

NEW MARKETING HOURS

As of April 8, 2013 the CME
Commodity Exchange Group changed
live trading hours for grains. In
response to these changes, Valley
Coop, Inc. will buy grain from
producers from **8:30 am to 1:00 pm**
Monday thru Friday.

News from the South

It's pretty hard to complain about rain so I'm not going to. We'll just say the weather has been "challenging" the last few weeks. We had been planning on doing some fungicide treatments but looks like the airplanes will probably have to get it since they can leave a little less track in the field than our row crop applicators. The weather has also been "challenging" on the wheat crop. We have



had the opportunity to pull quite a few heads around here lately and have seen some interesting things. I sure don't consider myself a crop production expert, and, although there is some damage present, I believe it's a fairly small percentage of the total crop up to this point. There is a lot of time for Mother Nature to give us another surprise or two. As always, we should know more about the 2nd week of June when the combines start to roll and then we can all be experts.

I would also like to take this opportunity to tell you about a new Horse Feed that we have been working on for several months. Last fall, Dustin formulated a 14% textured sweet feed that is primarily geared toward performance type horses. This is a high-energy, highly digestible feed that also works well for cattle. The feed started out strictly as a custom ration that he was making primarily for himself and a few other people, but has quickly gained popularity around the local rodeo arenas. We are currently in the process of getting analysis done for feed tags. If you have any questions please feel free to call Dustin or myself. Thanks again for the continued support of your cooperative. We'll see you on the scales.

Todd, Stacie, Les, Dustin, Dave, Court, and Chance

Hello From Beautiful Downtown Winfield

Spring rains, a very welcome sight, of course not if you don't have your corn in the ground. The weather pattern now days is strange. With the rains coming every few days it's been hard to get a good kill on weeds in your lawn. We have granules such as Hi-Yield Weed and Feed or several different liquid sprays, premixed or full strength.

Remember we have concrete mix priced by single, five or more, or by the pallet. Please come by and see us!

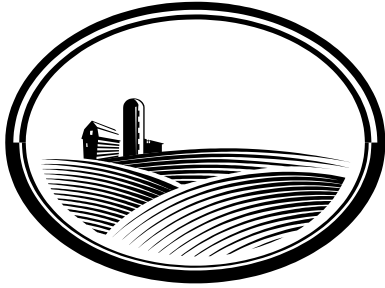
Ron, Bob and Todd



**HAVE YOU
HEARD THIS
ONE?**

Q: Why shouldn't you tell a secret on the farm?

A: Because the potatoes have eyes and the corn has ears!



FIELDNOTES

Good News, Bad News! With the recent return of rainfall, it has created issues with getting springtime work done in a timely manner. Most ponds now have some water in them, cattle had to be fed longer because of delayed growth of bluestem grass and fieldwork or the lack of it has put planting dates behind. As it dries out there will be a whirlwind of activity in the country, remember to stay safe.

Cooler temps on the wheat and what to expect at harvest, most years with a cool wet spring translates to high disease pressure, so far it has been minimal. A lot of fungicide has been applied by ground or by air this spring so those acres should be in good shape should disease pressure show up. I have been asked many times what the freezing temps did to the wheat, I have not been able to find any major damage from the freezes in our area, I did travel a couple of counties West recently and their wheat is much shorter and thinner compared to ours. I believe our tall thick canopy protected us from the cold temps. Cooler temps most likely will have delayed wheat harvest, some 1 to 2 weeks later than last year.

As you may have heard, some of the milo, soybean and sedan products are in short supply. If you are in need of any of these products I would suggest getting them ordered. Give me a call to go over any details.

Have an abundant and safe harvest.

Kirk

News from Burden and New Salem

As I set here writing this, I'm not sure if it's actually spring or still winter. This weather has been weird so far this year. At least we have been getting some much needed moisture, unfortunately the moisture has put a hold on all the planting, fertilizing, and spraying. On a good note the ponds are looking good and the creeks are actually running water again. We just about have everything ready to go for wheat harvest and it looks like it is going to be another good one. Let's hope so. Stop in and see us.

Thanks for your Patronage.

Nick, Alan, and Marc

News from Atlanta

Finally we have gotten some much needed rain. It has slowed down some of the planting but has given everyone a better outlook for this year's crops.

We have been using the off time from fertilizer & spraying to finish some of our winter projects. We closed in our fertilizer blender on the fertilizer building & added storage space to the chemical building. We are working to meet federal regulations regarding proper storage & containment of chemicals & fertilizers.

Recently we have purchased three new 1450gl Nh3 trailers. We expect delivery soon. This will be helpful for those that are several miles from our facility.

KSU recently conducted a grain engulfment training in Winfield. Several from our branch attended. It was very good training. Safety is always a priority for both employees & the community.

We have several plant nutrients available. Plant health is important to plant yield. If you have questions please give us a call. We have some data from last year with substantial yield increases.

Since there is becoming more resistance in some weeds to Round Up products, it is suggested that you consider using a pre-emerge product also. We are seeing some good results from Corn & Soybean fields from last year that pre-emerge was applied upon.

Stay safe and have a great harvest.

Your Atlanta Team,
Darren, Katherine, Jimmy, Terri, Mike, Andy, Ric & Justin



We will be closed May 25th and May 27th in observance of Memorial Day. Please have a safe holiday.



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 29, 2013. Any patronage calculating under \$5.00 has been applied directly to your equities in Valley Co-op. All checks that are not going to be picked up at the Annual Meeting will be available for pick-up on May 30, 2013 at the Main Office- 811 Mill Street, Winfield, KS. All checks not picked up by June 22nd will be mailed. We will be mailing a Domestic Production Activity Deduction Allowance (DPAD) notification letter tentatively by November 15, 2013 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 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 and repeated again on the next line that has information highlighted in pink with a red arrow pointing at PATRONAGE DIVIDENDS.

Now- on to wheat and fall crop harvest. **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!”

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



Texas Caviar

Recipe Submitted by Ingrid Elam

2 Cans Black Eyed Peas (Rinsed)
1 Can Hominy (Rinsed)
1 Green Bell Pepper (Chopped)
1 Red Bell Pepper (Chopped)

1 Carton Cherry Tomatoes (Chopped)
1 Bunch Green Onions (Chopped)
Cilantro to Taste
8 oz. Zesty Italian Dressing

Mix all ingredients together. Serve with tortilla chips.