



Central Prairie Co-op

Today's Technology, Yesterday's Values

NEWSLETTER

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REMINDERS & UPDATES— JUST IN TIME FOR WHEAT HARVEST

See page 6 for details.



JUST LIKE YOU, THE BOARD IS ALWAYS PLANNING FOR THE FUTURE

MARK ENGELLAND, BOARD CHAIRMAN



This time of year, you notice all sorts of changes. Kids are graduating. Young couples are getting married.

The kids'

summertime activities are about to begin. And here on the farm, we're seeing changes as well—with fall crops being planted and thoughts turning to wheat harvest. These changes also signal us to look at our calendars so we can plan and anticipate what the next few months will bring.

The Central Prairie Co-op (CPC) board of directors is going through that same process. We've been in planning mode as we look ahead and try to anticipate what our customers' needs will be in the future. As part of that planning process, it's important to anticipate who might be interested

in serving on the board in the future. With the rapid changes we have seen in agriculture over the past few years, the need to have committed and informed directors has never been more important. That's why we recently instituted an associate board member program.

How does an associate board member participate on the board?

An associate board member attends all the CPC board meetings and participates in discussions. They are able to provide "another voice at the table" which can be helpful. However, associates do not have a vote.

The goal of this program is to expose people to what the board is doing without the level of commitment and responsibility that is involved with full board membership. It's also an excellent opportunity for associates to discover whether or not they are suited for board membership.

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FIVE YEARS AND COUNTING: WHERE CPC STANDS AFTER THE MERGER



JOE SCHAUF, GENERAL MANAGER

On March 1, 2014, board members signed all the final papers to create the new Central Prairie Co-op. That was also about the

time the ag economy started going south on us. So we've faced our share of challenges. Even so, we've been able to make some improvements and complete some building projects.

Some might ask, "Why not just go into maintenance mode during times like this?" But the reality is, the longer you just maintain, the more you get behind. For example, we've seen farmers go from 20-foot headers on combines to 40-foot headers, and from 300-bushel farm trucks to semis for hauling grain. So, if we don't have the equipment, services and speed that farmers need to get dumped and get back in the field, they will find someplace else that does.

Fortunately, your CPC board of directors has made some smart decisions to fill the gaps, while making sure we didn't get over-extended. When you see it on paper, I think you'll be surprised by how much we've accomplished in the last five years.

Facility additions and improvements

- New hoop shed in Chase
- New concrete bin in Partridge adding approximately 350,000 bushels of capacity
- New pit in Lorraine last spring
- Updated legs and added conveyors at several locations
- New dry shed fertilizer plant at Sterling hub
- New state-of-the-art anhydrous plants—Sterling hub and Adam's Corner
- Fuel and agronomy locations added to the Little River area

- Four new mechanical probes at various locations
- New scales at Saxman, Little River and Adams Corner



Safety and regulatory updates

In addition to the big things our patrons can see, we've made a number of behind-the-scenes improvements that are equally important for the safety of our employees and patrons.

- Ongoing work to bring elevators into compliance, including a long list of safety programs and hazard-monitoring systems
- Consolidated from 12 ammonia plants down to 8 plants in order to control costs and meet regulatory requirements
- New OSHA-approved landing ladder at Pollard



New mobile equipment

- Spray rigs
- Feed trucks
- Pickups
- Mobile tire truck
- Bigger ammonia tanks

"...we're right there with you trying to make the best of this ag economy."

Supporting the communities we serve

CPC is also committed to investing in the communities we serve through donations to local programs, often with matching donations from our regional partners. Some of the causes we support include:

- 4-H and FFA chapters
- Scholarships to 3 junior colleges
- Summer internships
- Kid's Cove after-school program in Sterling and Kid's Crossing in Nickerson
- VFW in Mount Hope to replace flags in cemetery
- Hauling water and providing fuel trucks to support firefighters battling grass fires

We're all in this together.

CPC is more than just a grain company or an agronomy supplier. We're your full-service agricultural product and service center—offering you everything from tire repair, to fuel when and where you need it, to having jeans, boots, bagged feed and lawn supplies in the farm store.

It's also important to note that we're part of the local economy. CPC currently has about 105 full-time employees, with as many as 30 additional temporary employees during harvest.

In the co-op business, we often say, "As the farmer goes, that's how the co-op goes." In other words, we're right there with you trying to make the best of this ag economy. Thank you for your support over the last five years. We look forward to renewal and growth in the future. ☺

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PLANNING FOR THE FUTURE ...

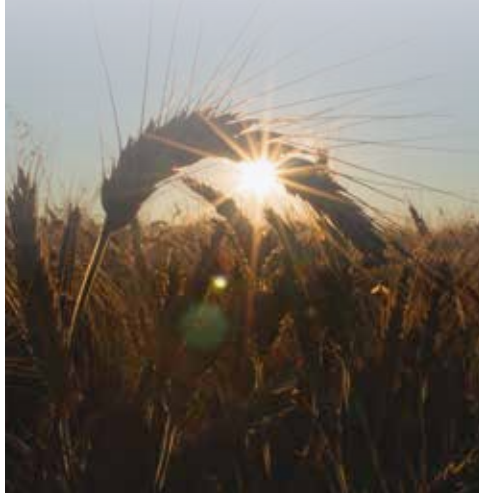
What's the process to become a full board member?

If an associate decides to pursue a position on the board, he or she will stand for election just like any other board candidate. If the membership elects an associate board member, that individual is already up to speed on the plans and the programs of the co-op, and can be an effective board member immediately.

In response to the letter we sent to all members in February, we have two people who are joining us in an associate position. The board is looking forward to working with these new associates in the coming year.

Anticipating opportunities ahead

The new associate board member program is just one example of how your CPC board is always looking for ways to improve our processes. Right now, in this season of change, we're anticipating not only this wheat harvest, but also your needs in the future. As always, if you have any suggestions, please feel free to share your ideas with any board member. You may reach the board directly at boardofdirectors@cpcoop.us



ALL ABOUT COVER CROPS

BRENT WERTH, SEED SALES & TRAIT MANAGER



To capture otherwise unused energy and convert it to value.

MORE ADVANTAGES OF COVER CROPS:

- Conserve soil and water
- Improve soil health
- Minimize cropping inputs
- Supplement grazing and forage
- Promote habitat and wildlife
- Enhance the bottom line
- Build soil organic matter
- Suppress weed growth

Keys to cover crop success



Plan crop rotation, alternate grass and broadleaf crops.



Look at the big picture and consider the management implications of one crop upon the next.



Patience and realistic expectations.

Long-term challenges such as soil erosion, low organic matter, pest pressures and fertilizer deficiencies require long-term strategies to manage.

Cover crop prescriptions from CPC

We're excited to introduce CPC's cover crop mixes to help improve yields and soil structure, reduce erosion and assist with weed suppression. These mixes help you make sure you're using the right seed for the right soil and crop rotation.

SOIL HEALTH RX c Cool-season peas, oats, radish, spring barley, hybrid brassica

Designed for fall cover crop preceding nitrogen-hungry corn or sorghum the next spring or summer. Peas provide nitrogen for the following crop. Radishes improve the rooting depth of the following crop. Oats and barley provide a moisture-conserving mulch. Hybrid brassica improves snow catch over the winter. The entire mixture can be grazed in late fall, and all components should winterkill to leave the ground open for spring planting. Plant 32-65 lb./acre in August to early September.

SOIL HEALTH RX sb Oats, annual ryegrass, winter triticale, cool season peas, radish, hybrid brassica

Designed for fall cover crop preceding soybeans the next spring. Grass-based components will hold nitrogen to prevent N loss during the winter, and then reduce weed pressure the following spring. Other components condition the soil and contribute bio-diverse eco structure. Can be grazed in late fall. Plant 48-78 lb./acre in August to early September.

For more information about these cover crop options, contact your CPC Seed Professional.



Dale Buxman	620-755-4960
Scott Jones	620-200-1695
Brandon Warner	620-200-6002
Nate Pitts	620-755-6393
Jamie Shive	620-727-7506
Brent Werth	620-921-5713

PETROLEUM DEPARTMENT NEWS



BROUGHT TO YOU BY

EMILY HAAS

FUEL DEPARTMENT MANAGER

Bulk DEF

CPC offers a very competitive rate on bulk DEF and equipment. Our goal is to run the bulk DEF trailer twice/month. To be as efficient as possible, we will be setting up routes and making phone calls to our customers. This will ensure that all our customers are taken care of in a timely manner. Call us if you would like more information about this program.

AFD (Automated Fuel Delivery)

Our AFD service is a convenience to customers. AFD offers deferred billing—meaning your tank always has fuel in it, but you are only billed for what you use. The deferred billing also bills an average monthly price, protecting you from market changes. At any time, you have the option to purchase any unbilled inventory in your tank. If you prefer to pay per load, you have that option as well. Plus, you can access and monitor your account online. To learn more, call the Petroleum office at 620-422-3207, or Wyatt Mobley at 620-278-6620.

Energy Software

This past winter we collected data on our propane customer's tank and entered it into our new software program. For our customers who are on a route and have taken multiple deliveries this past year, we are getting close to being able to estimate your usage and create more efficient routes. We know that there might be some frustration with questions we are asking you, but just know that we are trying to get your account audited to help serve you better. So please be patient with us. Once we get the initial information gathered, most of the questions will not be so in-depth.

Fuel deliveries and fuel information are now being updated in the software as deliveries are made. This proves to be a challenge with some accounts having multiple tanks, and making sure we have everything separated correctly. You may see colored tags on your tank—helping us identify the product in the tank. This also helps ensure there is no possibility of fuel contamination. Overall, this information helps our entire team better serve you and your needs. We would appreciate any little details that you think we need to know with this transition.

Monitors now available

We currently have some fuel and propane monitors out in the field. You will see more technology playing a role in the Petroleum Department to help create efficiencies and streamline deliveries. If you are interested in a monitor, they are available for a low monthly rental fee. Call 620-422-3207 for details.

NEW FACES IN THE PETROLEUM DEPARTMENT



Brandon Reed

– *Mobile Tire Technician*

Brings 23 years of experience, and will handle ag tire repairs throughout the CPC business area. Grew up in South Hutch and graduated from Nickerson High. Married to Chelsie, and has five daughters ages 20, 15, 14, 11 and 1 1/2.



Lynn Martin

– *Fuel & Propane Delivery*

Comes to CPC after working on irrigation systems throughout Kansas. Graduated from Nickerson High and Hutch Juco. Father of daughter, Kinsley, 5th grader in Hutch. Both love to hunt mule deer and white-tailed deer.



Larry McVey

– *Service Station Technician,
Sterling Station*

Came to CPC from tree service in Hutch. Grew up in Nickerson, and graduated from Nickerson High School and Brown Mackie. Engaged to Jaimie. Has two sons, ages 13 and 11, plus three stepchildren ages 15, 12 and 7.



Clint Nickels

– *Service Station Technician,
Sterling Station*

Previously worked at Gavilon Fertilizer in Nickerson. Grew up in Plevna, and graduated from Fairfield High School and Vatterot College in Wichita. Married to Emily, and has a son, Case, age 2 1/2. Lives on a farm outside of Plevna.

NEWS FROM FARM STORES AND FEEDS MILLS

Fuel & propane orders/service

Many of you are accustomed to calling the driver directly to place an order, and we completely understand that you have built relationships with them. In order to make sure all orders are tracked and followed through with delivery, we are transitioning to a centralized dispatching system. Please call the Petroleum Department directly in Nickerson at 620-422-3207 to place any orders or for any service needs. We appreciate your understanding.

If you have questions about any of these topics, please contact us at (620) 422-3207 or (800) 861-3207.



Employee Update

Lance Buckman has transitioned to a newly created position as our Service/Maintenance Technician—handling all new fuel and propane tank sets, as well as maintenance and repairs on all existing tanks and equipment. Lance will also be adding monitors to tanks for AFD and CPC customer tanks for fuel and propane. We are excited for Lance's new position and the years of knowledge he brings with it. ☺



VERTON MILLER, FEED DEPARTMENT MANAGER

Spring has hit the Midwest. We see baby calves out in the pastures, trees are full and the flowers are starting to bloom. This means it's time to make plans with your CPC Farm and Feed stores.

Better-looking lawns

It's a good time for a fertilizer boost. Choose from 13-13-13, Ultimate Crabgrass Preventer or Ultimate Weed and Feed to take care of the weeds while giving your grass much-needed nutrients. Plus, you'll get to enjoy the lush green color this spring and summer.



Effective fly control

If you're a cattle producer, you already have your SmartLic® tubs out on pasture. SmartLic has you covered with MinLic® supplement containing Fly Control. MinLic® IGR supplement is specially formulated to enrich the diet with essential minerals and sufficient (S)-Methoprene insect growth regulator to prevent the emergence of adult horn flies from manure of treated cattle without the added cost of supplemental protein. This unique supplement is second to none when compared to other low-moisture blocks. MinLic IGR is an exceptionally dense block that will give

you the most for your money. Double check to make sure you don't run low in your pastures—you need to continue use until cold weather marks the end of fly season. Cattle should have free-choice access and consume approximately 4 oz./head/day.

We have your horses covered, too. We are distributors of Think Equine—a new, all-natural fly and tick deterrent available in a liquid or a pellet that can easily be added to your horses' daily feed program. Think Equine delivers active ingredients to the skin and other fly-sensitive areas, providing an easy, effective and natural solution to fly control. Stop in and visit with us about the full line of all-natural Think Animals™ products designed to improve the health and well-being of livestock, pets and wildlife.

More gain with creep feeders

Late June is a good time to put out your creep feeders. Calves won't eat much at first. But when the grass cures out in July, they will know where the feed is. At a cost of 70¢ for each additional pound gained, the math works out well. Give Greg or me a call—we're happy to put a ration together for you.

Celebrate Dairy Month

The dairy industry is very important to Kansas and our local community. So drink an extra glass of milk with your grilled cheese sandwich, and go ahead and have a bowl of ice cream for dessert! ☺



AGRONOMY CHECKLIST



ALLEN SHIVE, AGRONOMY DEPARTMENT MANAGER

Thanks to a rough winter, the first quarter of 2019 was probably the slowest I've ever seen in retail ag. Now that the cold winter is behind us,

it's time to get busy with all the tasks of spring—and CPC is here to help.



Chemical supply update

The chemical plant fires this March in China created a shortage of generic chemicals, with some being sold out. A few brand-name products are also sold out. So far this spring, we've had good inventory at CPC, but that can change. Just remember that even if we are short on a specific product recommended by a crop consultant, we have many different options that do the same thing.



Be a good neighbor

When turning in acres for spraying, please let our agronomy staff know as much detail as possible. This pertains to all crops. It is good stewardship to have a conversation with your neighbor to know what is planted next to you. A lot of issues can be solved with a little communication.



Place your seed orders ASAP

With above-average moisture this year, we'll see a lot of double-crop soybeans or milo behind wheat. I recommend getting your seed needs covered now. We have an excellent supply of soybean and milo seed for full-season and double-crop.



Financing options

We offer competitive financing through WinField/US Secure or The Cooperative Finance Association. Please call Amy Theis at the main office with finance questions, or ask any of the agronomy team.

Ready to serve you at all of our locations

The Adams Corner anhydrous ammonia project is in full operation. We're excited to have our first full year in Little River. And we look forward to seeing customers at the Bushton crop production location and the Sterling hub. We wish everyone a productive and safe spring, along with a bountiful wheat harvest. Thank you for your business. ☺

REMINDERS & UPDATES:

GETTING READY FOR WHEAT HARVEST



MAX MOBLEY, OPERATIONS MANAGER

As wheat harvest approaches, it's important to work together to make sure everything goes smoothly (and safely) for

everyone. Here are a few things that will help us accomplish that goal.

Pre-harvest reminders

- Check trucks before loading grain to make sure all treated seed, chains and bars have been removed in order to prevent loss for the co-op and patrons. One treated seed in a load will reject the entire load—and potentially the whole train. We are doing our very best to mitigate this risk, and we appreciate your help.

- Make sure your hoppers are maintained, in good shape and able to open. That will make everything go faster and reduce risk of injury.

Partridge bin complete

The new bin adds approximately 350,000 bushels of storage. The 13,500/bu/hr pit will provide high-speed access to different crops. Plus, the bin is designed so employees don't have to enter the bin for cleanout. We're also in the process of painting the elevator—making this the first elevator to be branded with the Central Prairie Co-op logo.

Updated safety systems

Safety is our #1 priority. Over the

winter, we added safety hazard monitoring at several CPC locations, and will continue to add these systems across the company. These improvements will also help prevent major maintenance failures that can be catastrophic during delivery times.



With wheat harvest just around the corner, we look forward to seeing farmers and drivers at the 14 CPC grain delivery locations. ☺

GRAIN TOPICS: WORKING WITH YOU THROUGH THE TOUGH TIMES

LEE BURGESS, GRAIN DEPARTMENT MANAGER



With wheat harvest just around the corner, we are making sure we have the space for this year's crop. Though it's hard to predict the size of the crop, early-planted wheat looks pretty good and later-planted fields look fair. We are preparing our locations for harvest numbers comparable to last year—which is below our 5-year average.

With the current low grain prices, I encourage you to speak with one of the TMA field marketers about marketing your grain. They have many options to help you make good marketing decisions, and they bring a great amount of knowledge to the table.

Also, please let us know about any changes that need to be made to your grain accounts. This will really help things go smoothly at the scales. Just contact me or the staff at any of our locations.

Updated TMA software

TMA is working on a new software upgrade to improve the customer experience. The upgrade will remove old, unused accounts, which will expedite lookup times at the scales. They are looking at Aug. 1 to move to business units, which will better serve the producer. More information on this to follow, but I believe this will be a good change.

Take advantage of the mobile app

If you're not already using the TMA Grain mobile app, I highly recommend downloading it. The app features futures quotes, location elevator bids, grain contracts and access to grain tickets within minutes of exiting the scale. TMA is also working on more features and user-friendly tools to help serve you better. If you are interested, email TMA at appsupport@tmagrains.com and someone will get in touch with you to get it set up.

Please feel free to contact me to discuss any of your grain marketing needs: 620-278-2141 (Sterling office) or 620-204-1062 (cell). I would like to thank all of our producers for your continued patronage, and look forward to helping you well into the future. ☺

WRAPPING UP ANOTHER FISCAL YEAR



DAVID CORNELIUS,
CONTROLLER

Now that the audit is complete, we are happy to report the 2018 fiscal year was profitable for Central

Prairie Co-op. Since we are on the direct method of patronage refunds, we base patronage on the income of specific departments, rather than spreading the profit across all departments.

NET
EARNINGS:

**\$1.2
MILLION**

PATRONAGE PAID BACK TO MEMBERS:

\$553,000

40% in cash, and
60% on equity balances

RETURN BY CATEGORY:

GRAIN
4.7¢
/bushel

STORAGE
4.8%

Feed and merchandise:

It's been a number of years since we've paid out on feed, and we are proud of our feed department for what they've accomplished this year.

1.5%

Fertilizer and petroleum:

No
patronage
pay-out.

The biggest reason these departments were not profitable is that the weather held off the income that we usually see in January and February.

Update on phone system

By the time you read this newsletter, our new phone system should be in place, allowing us to transfer calls from location to location. We ask for your patience while we are learning this new system. If you have any issues or concerns, please let us know. ☺



Central Prairie Co-op

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PAID
VISTACOMM



June is
National
Dairy
Month.

What a great way to
start the summer!



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FEATURED LOCATION: LYONS

CHRIS PLANTENGA, LOCATION MANAGER

The Lyons location has a fresh new look, including a new manager who is ready for his first wheat harvest. "We've made some improvements to help with speed and efficiency for our customers," explained Chris. This includes maintenance on the leg and re-lined spouting.

Customers will also notice the newly remodeled office with polished concrete floors, additional shelving and more Lumber Jack grilling pellets—just in time for the busy grilling season.

"It's been nice getting to know all the farmers in the Lyons area," says Chris. "If anyone has questions or concerns, my door is always open." ☺



About the manager:

Chris grew up in southeast Nebraska, where he often helped out on his grandpa's dairy farm. His career path brought him to Kansas Ethanol where he was a team supervisor. Chris joined CPC as the Lyons location manager last August. He is married to Jennifer, and they have three children: Oliver, 6, Lauren, 4, and Christian, 2. The Plantengas live just outside of Lyons on a few acres where they have a big garden and are starting a small orchard.

