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Manager's Viewpoint by Darel Anderson

Approximately 95 members and staff attended our fifteenth annual meeting on March 9th. We were very happy to report net earnings after taxes of \$1,414,254.86 on sales of \$47,085,320.00. A total of \$582,942.00 was paid out in cash patronage and equity retirements.

Dan Cook, Arch Davidson, and Lynn Kauffman were re-elected to serve another term on our board of directors.

We were blessed to have two above average harvests in 2008, which usually sets the tone for our profit potential. Our agronomy, energy, and feed departments continue to be successful.

While my focus is on our 2009 fiscal year, I can't help but look back at 2008 and think what a "wild ride" it was for all of us and how fortunate our cooperative was through all the market volatility. Although we did write down some of our fertilizer inventory at year end, overall our staff managed the extreme market swings and risk very well, on both the purchase and sales side of our business.

This type of environment and experience will no doubt alter the procedures and policies we follow in the future, as to our appetite for risk in inventory, accounts receivables, and forward delivery contracts of grain, energy, fertilizer, and feed. Communication and planning between you and our staff will be the key to both of us being successful at price protection, risk management, and product availability in the future.

Your board and management continue to evaluate facility needs at each location, to best serve you as quickly and efficiently as possible. We are excited about our new high-speed grain leg at Navarre, and we also hope to have an agreement reached with the BNSF Railroad, prior to wheat harvest, to install another crossing south of our fertilizer plant to simplify the traffic flow. Thank you for your business and we look forward to serving your needs.

The Dillon Connection by Dennis Friedli

Spring is here and the Livestock spring sales for show stock are going on weekly.

Purina Mills are continually undergoing research, at major universities and in the field, to keep up with the ever-changing industry. Purina Mills understands the feed needs of the show animals. The show products are formulated for the show animals. NCKC is a retailer for Purina Mills show feed.

For the pig grower, the Honor Show Chow Showpig Grower is fed to growing barrows and gilts as the sole ration from 40 to 150 lbs., depending on frame and genetics. This product has a 19.5% protein. The next step is the Honor Show Chow Showpig Finisher T100, which is an 18% protein feed. The Showpig Finisher is designed for optimal muscle development and growth for showpigs weighing from 150 lbs. to show.

Another product is the Honor Show Chow Showpig Base for people that likes to grind and mix their own feed. The Showpig Base is a flexible variable inclusion rate concentrate containing complex protein sources and amino acids for making high quality showpig diets for pigs weighing 15 lbs. and up. For the finishing phase Showpig Paylean Premix should be fed to the pigs for the last 40-90 lbs. Paylean premix is fed for increased weight gain and increased carcass leanness in finishing swine.

One other product is the Show Chow Showpig 16. Showpig 16 is developed to feed to growing/finishing showpigs.

For the Lambs, Honor Show Chow Showlamb Grower DX is a complete textured feed that provides a highly fortified source of vitamins and trace minerals, along with balanced energy and protein to allow sheep to achieve top show ring performance. For a high-octane supplement, Champion Drive Top Dress is available. This top dress helps in the conditioning of the animal's skin, hair, wool, and helps add dimension to muscle.

Getting more popular for showing at fairs and livestock shows are Show Meat Goats. NCKC is stocking Countryside Feeds 16% Goat

Will this program save a large amount of dollars? Only time will tell. What it does is lets you take advantage of our ability to pool mineral orders and maximize freight. This alone will allow you to realize a nearly 10% savings as opposed to just buying hand to mouth. This program runs until April 25th and requires taking delivery of the booked mineral.

Last year we also began offering a Bovatec and Aureo combination in our minerals. This combination was very well received and met rave reviews at the conclusion of the grazing season for cattle health and performance. We also added the ability to include Altosid to our range mineral lineup. It too received very positive reviews as an aide to controlling flies on pasture cattle.

Both of these product options have been met with a 100% reorder rate and are garnering a lot of interest from producers who did not use these tools last year. If

R20 Pellet feed. This feed is to be fed at .05 to 4 lbs. per head daily along with adequate forage.

For these feeds and any other show products information contact Derek, Dennis or Laird at the Navarre or Dillon locations.



Grazing Season by Derek Schrader

Well, spring is here and with it comes the grazing season. We survived the enormous increases in mineral/phosphorus prices and have watched them retrace to a more manageable price level. We managed this risk by offering a mineral booking program. Many of you took advantage of this "tool" and saved yourselves some additional expenses.

We again are offering a Mineral booking program that will allow you to lock in your mineral needs at a specific price, effectively managing some of your input risk.

maximizing performance and return on investment are your goals---be sure to ask about these product options.



Weather Facts by Mike Pauley

Hopefully the winter is winding down and warmer temperatures are around the corner. We only had received 8" of snow up to the middle of March, and then Mother Nature decided winter wasn't going to be over yet and dropped 9" of wet snow in Hope. We had been pretty dry for the last 5 months with the average moisture being behind by 3.28". We are still behind, but that snow brought

1.21" of water with it after having 1.73" four days before. We have had rains amounting to 1.63" so far in April.

Tornado season is fast approaching and there might be a few more vehicles in the area, if there is any bad weather around. A collaborative nationwide project exploring the origins, structure, and evolution of tornadoes will occur from May 10 through June 13 in the central United States. The project is called VORTEX2 and is the largest and most ambitious attempt to study tornadoes in history. It will involve more than 100 scientists and students and 40 research vehicles, including 10 mobile radars.

Scientists will sample the environment of supercell thunderstorms that form over more than 900 miles of the Central Great Plains, including South Dakota, Western Iowa, Eastern Colorado, Nebraska, Kansas, Texas Panhandle and Oklahoma. The V2 Operation Center will be at the National Weather Center in Norman, Oklahoma and is being funded by NOAA, National Science Foundation, 10 universities, and three non-profit organizations. The second phase will start in 2010.

If you would like more information on this you can go to the website at www.nssl.noaa.gov/projects/vortex2 or go to the NCKC website at www.nckcoop.com and click on the NOAA weather link.



Employee Spotlight by Melinda Gantenbein

Many of you have already met or spoken with Matt Miller at our Navarre branch, but I would like to tell you a little more about him. He resides with his wife, Diana, a Compliance Officer for Ameriprise Financial in the Enterprise area. They are members of the St. Andrews Catholic Church in Abilene.

Matt who has been with NCKC since November 12th, 2008 as our petroleum manager, recently completed courses from Cenex Energy Risk Management 101 & 102 in Wichita Kansas.

He graduated from Fort Hays State majoring in Ag-Business on a team roping heeler scholarship. He still enjoys participating as a heeler or header, every chance he gets. He also enjoys making his own bio-diesel out of used soybean-cooking oil! He finds it very interesting and it certainly relates to his job at NCKC.

Matt has enjoyed working for us and is eager to meet new customers and continue his efforts in providing you with competitive prices. Welcome aboard and continued success at NCKC.

Petroleum Comments by Matt Miller

Well it seems the markets can't decide from one day to the next, which way it wants to go. Opinions change daily on where the markets are going based on the most recent news that relates to the financial health of our economy. At this time, it's a bearish supply and demand picture vs. bullish optimism and economic recovery headlines. Over the last 45 days, prices have steadily ratcheted higher even with crude stockpiles at their highest level since the early 90's. This is mainly due to the "idea" that with spring and summer approaching demand historically increases. That coupled with the talk and the hope that our economy has suffered the worst and we can only go up from here, have been the major drivers of these markets.

At this point I'm fairly confident in saying the lows have most likely already been established for the year. For those of you who have not contracted all of your needs, we are still offering daily contracts at what I believe will still be attractive levels come the summer months. Remember the fuel contracts run through October 30th. On October 31st all unused gallons will be reconciled and zeroed out. (Example: If your contract price is above current pump price you will be invoiced for the difference between the two on the remaining gallons.)

There will be no contract extensions. If you have any questions or concerns please feel free to give me a call at the Navarre office (785-479-2221).

Navarre Branch by Gene Kickhaefer

Welcome spring! For everyone who hasn't noticed, the Royals are going to field a team this year. I'll be the first one to tell you; don't be surprised if they're playing in October for the pennant.

Going into spring, be aware of your oil inventory. Oil has dropped over \$100.00 a barrel from it's all time high last summer. North Central carries 15w-40 TMS, HTB (hydraulic) and Maxtron 15w-40 (synthetic) in bulk. It's still not as cheap as it once was, but we can still save about \$3 a gallon verses last year at this time. Recently, North Central has set up bulk tote dispensing systems at several farm locations. They consist of a 250-gallon tote, an air driven zee line pump, 32-foot hose reel, and a digital quart meter.

Cenex also offers the total protection warranty plan. It's a program for up to 9 years/9,000 hours (10 years/10,000 hours when used in combination with ruby field master premium diesel fuel) on agricultural equipment. If interested, don't hesitate to call Matt or myself with any questions. As always, North Central thanks everyone for past and future patronage. Be safe in the up and coming planting season. GO ROYALS!!!!



Crop Production by Kevin Whitehair

As I begin to write this newsletter, all we can do is talk about how to best apply our weed control for this spring. We have all lived here long enough to know by now that one extreme always follows the other. One quick reflection to touch on is, we continue to do more spraying in the fall in preparation for spring, isn't that shining right now?

Okay, back to the present. We have a completely K-state purple field, what do we dump into the tank to clean it up fast? Henbit is very tough to control when it is in the reproductive stages. Residual products will help considerably in the burn down and I would definitely recommend that, if you were going to plant in the next two to three weeks. If you're not going to plant until the first part of June, you may just want to apply a burn down and come back with your residual later. Otherwise, adding some Banvel to the mixture is going to help on that particular weed.

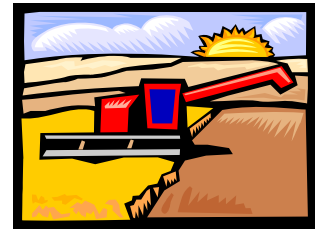
One thing that is almost always true is a weed that is seeding is very tough to kill. We run into this every year with henbit, bottom line is we need to treat in the fall wherever we have a henbit problem. There are many options, even if you don't know your rotation, but they are very limited.

Just a little on the economics of residuals. As roundup soared in pricing last year, so did the questions for residuals in soybeans. Many of you that used the Valor XLT were very pleased, it is an excellent burn down as well as providing several weeks of residual control in soybeans. By putting down a residual, you should only need to treat your soybeans once in crop for a weed problem. There may be other reasons you may want to come back over your soybeans, such as an insecticide treatment for bean leaf beetle, or applying a combination of manganese and fungicide for plant health.

To wrap up, I just wanted to take a minute and talk about adjuvants. The definition of an adjuvant is any product that helps whatever you are spraying to perform better. Ammonium sulfate is an adjuvant for instance, that is the simplest and easiest to comprehend of the products we use. Alliance is another that many of you use and your coop will begin to apply through our applicators.

No matter, whether it is a fungicide or a herbicide, we must maximize performance, think of about it, Roundup kills absolutely nothing unless it gets into

the plant. If your spraying a fungicide on wheat wouldn't make the most sense to maximize your leaf area of coverage? We use many products to do different things, please feel free to ask questions. We want to help you succeed in your cop production goals for 2009, much success this season and as always, thank you for your business.



Seed Supplies by Doug Dillon

The snow and rain these past few weeks have been great for building up moisture levels in the soil and filling the ponds, but it sure is slowing progress in spring planting and spraying.

With this slow time we need to make sure everything is in order. Make sure your corn seed needs are met. NCKC has a good supply on hand, but if you need a variety we don't have in stock, we can get it, but it will take a few days to get. We are trying to get as much seed delivered as possible to save hustling around at the last minute. If you are having NCK Coop plant your corn, I'd ask that you call to make sure everything is in order or to let us know of any changes.

Seed supplies are in pretty good shape in corn, milo, and soybeans. Forage supplies could get tight before it is over with. As always, if there is anything NCKC can do for you, please give us a call. Have a safe spring planting season.

Wheat Update by Brian Nickel

Overall the wheat this spring is looking good and appears to have good potential this year, if Mother Nature does her part. Last year, with the good grain prices, many producers applied fungicide to their wheat and the results were mixed. Some producers felt it added 10 bushels and some didn't think it helped. The main thing about fungicides to remember is every year it will be different, so you can't look at just last year to decide. Wheat prices have come down since last year making the decision this year even harder to make.

There are a few things a person can look at to assess their risk and see if fungicides are a good option for them. First thing I would look at is what your variety ratings are on rust. On the next page is a chart showing if your varieties are susceptible. Even with lower prices than most years, you will see a return on your money. It looks like it will take a 3-4 bushel return to make your money back this year. If you would like to talk about your situation feel free to give Kevin or myself a call.

Susceptible	Moderately Susceptible	Intermediate	Moderately Resistant	Resistant
Jagalene	Overley	Endurance	Art	Sante Fe
Karl 92	2137		Fuller	
Jagger	2174		Postrock	
			Shocker	

Bean planting season will be here before we know it and I would like to talk a little about the seed treatments we will be offering for you this year. Most farmers are already using inoculants on their beans and we will have the same as last year in Vault NP. The next treatment a person should look at is if they want to use a fungicide. We will carry Warden RTA, it will help on early season diseases and increase your stand counts. With the higher priced seed, anything we can add to ensure a better stand is worth looking at, since replanting can cost you much more. The third option we have is a mix with fungicide and insecticide called Warden CZ, which will give early season insect and disease control. The places you may see the most value with this is where you are planting beans on beans or planting early when the bean leaf beetles will be looking for their summer feeding grounds.

With planting season upon us, something we at NCKC would like to see is

more side by sides with all crops. If you have any place in the field that you change varieties, genetics, or companies in corn, beans, or milo--flag it--and we would be happy to bring the weigh wagon at harvest and look at your results. This could be used for evaluating different traits in corn. For example, if you have straight Roundup and a traited variety with the same genetic family, do a side by side to see if there is a yield difference. New this year, if you have us come out and weigh a side by side with our genetics involved, we will give you a \$50 dollar visa gift card. We will be limiting this to two cards per farm account and want to have a day notice to when you will be harvesting it. If you want to try some of our seed in a side by side give Doug or myself a call.