

MARCH, 2009

Vol. 15, No. 1

ECIC

**Dedicated to Service ...
Committed to Success ...**



MISSION STATEMENT:

**DELIVERING
PROFITABILITY
AND VALUE
TO OUR PATRONS
THRU INNOVATIVE
PEOPLE, PRODUCTS,
AND SERVICES**

Business Hours

**7:30 a.m. - 5:00 p.m.
Monday thru Friday**

During the busy service seasons (both Spring and Fall), East Central Iowa Cooperative will also extend hours to accommodate member service needs during the planting and harvest phases.

These extended hours are designed to meet patron need and may only affect specific divisions and locations of the Cooperative. During the Fall season, hours of operations will be posted at each elevator location.

ECIC TELEPHONE DIRECTORY

CEDAR FALLS	(319) 266-0775
HUDSON	(319) 988-3257
Hudson TOLL FREE	(800) 400-3247
Hudson AG CENTER	(319) 988-4511
Ag Center TOLL FREE	(800) 859-0497
JESUP	(319) 827-6226
Jesup TOLL FREE	(800) 859-8061
Jesup AG CENTER	(319) 827-3531
Ag Center TOLL FREE	(866) 599-7666
LA PORTE CITY	(319) 342-3013
La Porte City TOLL FREE	(800) 877-3810
WATERLOO ENERGY	(319) 235-6281
L.P. Plant TOLL FREE	(866) 404-3242

WEBSITE:

www.ecicoop.com

YOUR BOARD OF DIRECTORS:

Shane Clark	La Porte City
James Grady	Waterloo
Tom Greiner	Waterloo
William Hesse	Cedar Falls
Leo Kremer	Jesup
Randy Lichty	Waterloo
Dennis Rottinghaus	La Porte City
Jason Trumbauer	Jesup
Mike Reiter	Jesup

E.C.I.C. Scholarship Program



On an annual basis, East Central Iowa Cooperative makes available a maximum of two \$500 scholarships to benefit the post graduation aspirations of graduating high school seniors. The mission of these awards is to support the academic endeavors of individuals who plan to pursue advanced studies in agriculture and desire to participate in agriculture as his or her vocational choice. Prior scholarship recipients have exhibited career intentions not only in production agriculture but also within a number of fields associated with ag-business.

Eligibility for E.C.I.C.'s scholarship program is confined to applicants whose parents or guardians hold cooperative membership status as either Class "A" or "B" members. Academic achievement, extracurricular participation, and community contributions are all aspects comprising the determination process in addition to personal attributes such as leadership and character.

Application forms are available at all E.C.I.C. offices or by contacting the Hudson administrative office (319) 988-3257 or (800) 400-3247. Applications may also be obtained from guidance counselors or vocational ag instructors at Jesup High School, Union Community High School, Hudson High School, Don Bosco High School or Janesville Consolidated School. Applicants must complete and return the application form no later than April 17, 2009 in order to be considered for this year's program. In addition to obtaining scholarship application forms, additional information can be secured by contacting the location manager at your nearest E.C.I.C. location or the general manager at the Hudson numbers listed.

East Central Iowa Cooperative salutes each member of the area's graduating class and wishes untold success upon each. As a member of the communities it serves, it is pleased to contribute in this fashion to the promise held by our youth.

CALL TO MEMBERSHIP STOCK

This is meant as a reminder for stockholders of E.C.I.C. about their equity in the coop.

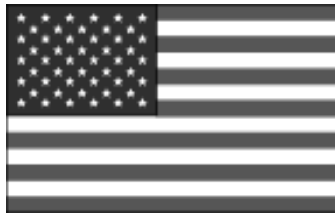
The first issue that needs to be addressed is that it is the responsibility of the stockholders to keep the coop informed of the membership status. This means if there is any change in ownership, estate, address changes, individual vs. partnerships or corporations, etc. in your stock, you must inform E.C.I.C. of these changes.

Second, if the stockholder is a partnership, corporation or the like, we must know the individual percentage of ownerships of these entities to be able to revolve the equity out of these entities to individuals. We must also know the ages of the individuals, as the coop has been revolving equity on age.

Several years ago the Iowa Legislature passed an amendment to the 499 Cooperative Code that gave the opportunity to have what they called "The look through clause." This allows coops to revolve equity to individuals that are members of a legal entity, when they become of age or if for some reason leave the partnership or corporation.

As I have stated before, when E.C.I.C. is profitable, the Board of Directors and management are passionate about revolving older equity. To do this, we must have the most accurate information available. Please contact us if you have any questions about your status as a member/stockholder.—Dennis Maas

MEMO BOARD



May Closings:

*Memorial Day
Monday, May 25.
All locations
will be closed
for the holiday*





Message from your General Manager

Dennis Maas

Reflecting on this winter and last fall, they both seemed to be long. Fall harvest was late and winter came early. Due to both, we had a short fall tillage and application season.

As we approach spring, we are concerned about the supply of fertilizer and refined fuels. The concern is not about the amount of product, it is about the logistics. If we have a long open spring the problem with availability of these products will lessen. The shorter the spring, the more problems that will be caused by pipeline shortages and transportation issues. In other words, the right place at the right time. The coop's agronomy and energy divisions are offering programs to help alleviate the logistical problems that could be caused by a late-short spring season. The agronomy division is offering a discount on applications fees and deferred payment terms on fertilizer. If the ground is open and frozen in early spring, you can take advantage of these programs. The energy division is offering a similar program with early fill of refined fuels and deferred payment. Please check with both divisions for details of these programs and others.

The Board of Directors and management have communicated several times with membership about being passionate towards the profitability of ECIC and the revolvment of equity back to members. We are very proud to say we are in the process of doing just that. By the time you read this article, you should have received or will be receiving a check for equity to patrons that were born in 1935 and 1936. The Board of Directors has approved to revolve two years of equity in the approximate amount of \$409,698.00. With this amount of equity and the estates of (\$23,759.15) and the cash patronage of (\$200,000.00) that has been previously paid to members, brings the total cash to \$633,457.15. This total cash paid out to members since September 1, 2008, is 38% of last year's 2008 net earnings. As the old adage goes, "It does pay to do business with your local coop." A side-bar issue to the equity revolvment is that we need to know your date of birth. There is an article in this newsletter "Call to Membership Stock." In the article it describes that it is the membership's duty to keep the coop informed of personal, partnership and or corporate information. This means information such as your personal age and address, partners in a partnership age and percent of ownership, corporation stock holders age and percent of ownership.

There are several other projects that management and the Board of Directors have been

involved with. One is the demolition of the woodhouse next to the feed mill in Jesup, which the Board of Directors approved last fall. The demolition has been completed and we are currently getting bids on constructing a new bagged feed warehouse which will be attached to the feed mill in place of the old woodhouse. Our plans are to have this completed this summer.

We are currently replacing the old small west leg at the bean complex at La Porte City with a larger leg and load out facility. This should be completed prior to spring.

In the agronomy division, we have purchased a new dry floater for precision ag and it is stationed at the Jesup Ag Center. We have added to our NH3 delivery system six new dual tank tandem running gears. Our plans are to purchase another tandem dry fertilizer tender prior to the fall season.

Last fall the energy division purchased a tandem propane truck and sold two smaller trucks to gain delivery efficiencies. We currently have a proposal to obtain, in the future, our second tandem refined fuel truck. This will be acquired in early fall of 2009. The RFS (Renewable Fuel Standard) has a program for a grant on new refined fuels trucks that was ending in December 2008, so we had to make a decision to purchase the new unit by then for future delivery.

Watch our four cardtrols (Hudson, Dysart, La Porte City and Vinton) for changes in appearance. We have signed an image agreement update with Cenex. These changes should happen this spring and summer. We are looking forward to the new image changes to the canopy, pumps and price signs.

I would like to give you an update on our Cedar Falls location and the aftermath of the flood situation. We got the Cedar Falls location operational last fall by getting approximately two thirds of the grain storage back up and running and a temporary office. The City of Cedar Falls has acquired a parcel of land that has railroad access and has offered us several acres in this parcel of land. As most of you know, there are a lot of negotiations and politics that go along with a project like this. Not only is there planning on moving a current facility, but also the planning of a new facility and all that goes with that. Then there is the issue of not one but two railroads to contend with, and getting service commitments from them in writing is not easy. So far, working with the City of Cedar Falls planners has been a pleasure. Our plan is to continue to pursue a new location until such time we meet a stumbling block we can't overcome. Staying at our current location has its challenges. If we want to ever build more grain handling facil-

ities or a permanent office, we would be forced into flood insurance, and what we have learned about flood insurance so far is that it would be unaffordable and coverage would be limited. So, we will keep you updated on our progress with the Cedar Falls location. Our goal would be to have a different location up and running by the fall of 2010. Watch for updates in future newsletters.

I would like to acknowledge a new employee endeavor called a "Safety Committee." Employees recognize the importance of safety not only for themselves but also for our patrons. The committee will be responsible for initiating safety programs and overall safety awareness and oversight. Initial employees on the committee are Rand E. Renner and Judy Hinkle, who are the co-chairpersons. Other employees on the committee are Gary Schulz, Jeff Lee, BoJames Ruzicka, Kurt Raymond, Shawn Davis, Shane Hepler, Don Ames and Marilyn Purdy. I would like to thank these employees for taking the initial challenge of establishing the Safety Committee.

Again this year, the Board of Directors and management are supporting an agriculture scholarship program by issuing two \$500.00 scholarships. These scholarships will be awarded to two graduating seniors who plan to continue their education in agriculture studies. Applications will be available at each E.C.I.C. location or by contacting the Hudson office. Applications will also be available at each guidance counselor's office and with the vocational agriculture teachers at Don Bosco, Hudson, Janesville, Jesup and Union Community Schools. Other details of the scholarship program are elsewhere in this newsletter.

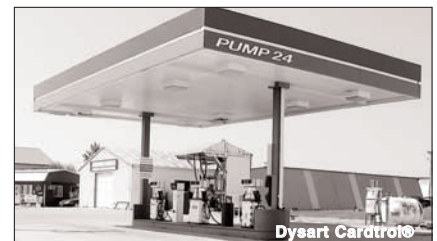
In closing, I want to share with you that we are dedicated to delivering service to you as customers and committed to being successful for you as our owners. If you have suggestions and would like to communicate them with us, I hope we offer many ways for you to do just that. Thank you for your continued support of our employees and our products and services.

Best wishes for a safe and productive spring.

Look for our updated Cardtrol image

At Four Locations:

- La Porte City
- Dysart
- Hudson
- Vinton



- 24 Hour Accessibility
- Gift Cards Available
- Card Access System - Security and Convenience
- E-85 Available at Hudson

Apply at your Coop today!

Agronomy Division Gene Mitchell



Fertilizer prices

History

Last newsletter, I detailed the reasons for the current fertilizer situation. Basically, the industry positioned product for their customers to insure a supply and cap what looked like ever escalating prices in the face of insatiable world-wide demand. The environment changed completely when the financial crisis appeared last fall. Foreign demand disappeared and falling grain prices coupled with a late harvest cooled demand domestically.

Current situation

Growers and manufacturers have had a stare down all winter and the retailers have been caught in the middle. Growers are waiting for lower prices locally because they have all heard of the cheap fertilizer prices at the gulf. Those prices are at fire-sale levels because vessels were contracted to refill warehouses after a "normal" fall season. When the fall season didn't materialize, product backed up all the way to those loaded vessels. Since the transportation couldn't be unloaded and put back into service, the carriers charge a fee called demurrage to cover their expenses and lost earnings. As you can imagine these fees are quite steep and are assessed daily. At some point the demurrage fees are more than the cargo is worth, so there is a huge incentive to get the product unloaded and get the vessel on its way. Hence the reason for fire-sale pricing.

The manufacturers, on the other hand, are not sure of the upcoming demand and really don't have anywhere to store their product. They are also concerned about committing to a supply greater than the distribution system can handle. Since growers are not ordering (waiting for lower prices), the manufacturers' response has been to cut production.

At some point decisions have to be made. It takes about 90 days from the order to get imported product in position locally. In less than 90 days the crop should be planted. Growers will either have to step up and order product or risk planting the crop without applying fertilizer. If you haven't made any commitments yet, which alternative will be the least costly to you? I suspect that each of you will have different responses, since each field and its history are unique. We can help you with those decisions but we can't wait much longer!

Because of all of the uncertainty this spring, and the very real possibility of allocations, growers that prepaid last fall will have first priority. Growers that prepaid this winter will have second priority and those who wait will have to take their chances. This will be a painful time for all of us, but working together and communicating well will lead us to the best possible outcome.

The future

The days of retailers laying in a supply of product based on a "normal" season are probably over. The risk is just too great. Last fall has shown us what happens when we make those assumptions. The grower will have to assume more risks since he is in the best position to hedge them.

Last February, we initiated a prepay program for fall fertilizer. Corn was over \$7.00 then. We recommended that growers purchase their fertilizer and sell corn to cover those purchases. Many growers were reluctant to purchase fertilizer at those high prices and we didn't do a very good job of equating the fertilizer price with the equally high corn and soybean prices! It turns out that if you had prepaid fertilizer and had sold corn, the net result was equivalent to historical values. The following graph summarizes those relationships by looking at how many bushels of new crop corn futures it takes to buy a maintenance amount of fertilizer per acre.

I think that this will be a helpful indicator for us in the future. If the bushels / maintenance fertilizer relationship is close to historical levels, you should think about committing to a portion of your fertilizer needs and selling a corresponding amount of grain, regardless of the price of the fertilizer. This relationship may present itself at any time and the window may be short. We are tracking this every week now, so that we can develop a history and be in a position to give you a recommendation. This is a departure from the way we have done business in the past and might require a little time for you to be comfortable with it. If you would like to learn more about this concept, please contact any one of us. We will be glad to help.

The Board of Directors has approved offering input financing for crop input through CFA (Cooperative Finance Association)

ECIC

now has

INPUT FINANCING

available for you, featuring:

- Simple loan application
- Competitive variable interest rates
- Loan maturities to match your marketing needs
- Convenient one-stop shopping for all your ag inputs
- Financing through local people that are knowledgeable about your business.

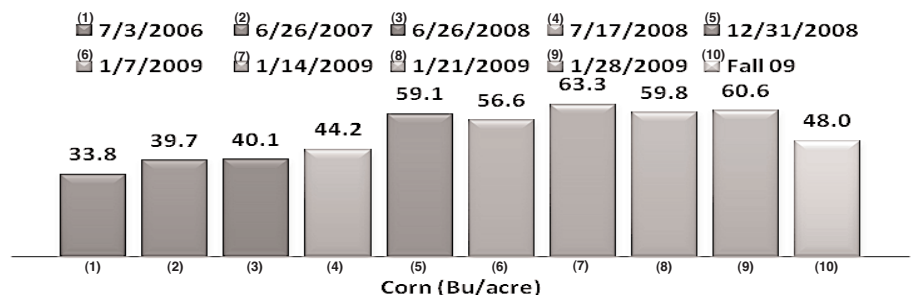


Please contact ECIC for more information



East Central Iowa Cooperative is proud to announce the revolvment of equity to members 72 years of age and older in the amount of \$409,698.00

Fertilizer compared to corn price for 150-110-120 (Fall 09 included)



JESUP

Jeff Lee



JESUP AG CENTER

Norm DeJong



LA PORTE CITY

Keith Koger



HELLO FROM JESUP!

In my November article I reported the challenges of removing our old wood annex to make room for a feed warehouse. Well, in December, PCI showed up with a rather large crane and backhoe along with several trucks and the fun began as you can see by the pictures included. The building was so tall that the crane just reached over the top and the operator had trouble seeing the clam as he dropped it to get a bite of the building. As they removed bite by bite they would drop it inside the bins until they could get at it with the backhoe. Once they were able to use the backhoe it became much faster for them. Then they brought the trucks in and hauled it all away. The lumber and steel siding went to the landfill and the concrete stayed here in Jesup.

We have received three bids on a warehouse that will attach to the mill in the same location that the wood annex sat. The proposed warehouse is 34'x80' clearspan steel frame mono slope building that will house a forklift for unloading and storing feed ingredients for use in the feed mill.

The middle of January we had a burglary here in Jesup. They broke the window out of the back door and came in and just vandalized the place. They emptied the desk drawers and turned the computer screens down flat. The only thing we could find missing were several pair of gloves and a personal desk assistant that belonged to Kym Weltzin. So if you happened to see a thief with new gloves and always on time give me a call.

As temperatures start to warm up, you will want to watch your grain bins. You should continue to warm the grain so the grain temperature is not too far below the outside temperature. If this occurs it will cause condensation on the inside of your bin roof and drip back into the grain. We have also heard several reports of snow that blew in on the tops of bins. This can also create a problem for you. It is always a good idea to periodically move grain from all of your bins. This gives you a good chance to check for any problems and allows better air movement through the grain. We do have 30-day open storage at no charge. We will also be offering free Price Later Contract for in house delivered grain. Check with your location before delivering.

Reminder: We are required by the State of Iowa to not allow grain in open storage for longer than 30 days. If you deliver grain you must let us know what you want to do

HELLO FROM JESUP AG CENTER.

We have a couple news items here at the Ag Center. First, we have a new employee. Deanne Brown has been an apprentice of Amy Mazingo for 2 weeks and has stepped in to carry on the Accounting Assistant responsibilities. Please stop in and say hello to Deanne. She is enthusiastic about meeting you.

Second, we have new equipment. With the purchase of a new custom application dry fertilizer spreader in November, we are capable of applying more tons and acres of dry fertilizer per day than in the past. The new applicator, a Case IH Titan 4020 with a New Leader spreader box is more efficient than the previous applicator in several ways. It covers an 80 foot wide swath; 10 feet wider than the old one. It has a GPS AutoSteer feature which eliminates the need for foam markers. With no foam markers, we save the time of filling the foam tank and waiting for foam to reach the end of the boom at start up in the field. The fuel tanks are larger also (150 gallons). We can run a long day without fueling time. The spinner box has fewer mechanical apparatuses on it that are potential problems which lead to down time for maintenance and repair. ECIC also purchased a larger dry fertilizer tender box, 16 ton vs. 10 ton, making for more efficient delivery. We will be able to complete the application of products to your field sooner with all of the new efficiency features.

Last chance for private pesticide applicator recertification is March 10th 2009. It will be at the HearTland Acres Agribition Center in Independence at 7:00pm. Please check your status and get it updated if needed.

Our business is your business and your business is our business. So, please be actively involved in our safety awareness program at ECIC. We want everyone to finish their day healthy and uninjured. If we are on your property or you are on ours, please make sure that everyone thinks about safety FIRST. We all like to be fast, efficient and productive, but those issues are secondary to safety.

Please, Always Be Careful.

with it before the 30 days expire. Any grain over 30 days must go to storage. We do have a Free Price Later contract available but it must be applied before the end of the 30 day open period and PLC grain must be sold before September 30th. All PLC must be signed and back to our office within 5 days. Please give us a call if you have any questions.

GREETINGS FROM LAPORTE CITY

Finally spring is just around the corner and I am ready. We finished cleaning up the corn bunker the first part of February. It has been a very busy winter shipping grain and moving snow. I would like to THANK THE EMPLOYEES FOR THEIR EFFORTS THIS WINTER FIGHTING THE COLD AND SNOW.

As spring is approaching don't forget to check your grain bins. We are seeing some damage and a lot of F.M. So, I would recommend that you at least pull a few loads out of the center of the bins.

We are accepting corn and soybeans on a free price later at this time, with a pricing date by September 30, 2009. Remember price later grain can not be sold for a future date. Also price later grain MUST BE GRAIN THAT IS NOT UNDER LOAN. THIS PRICE LATER WILL NOT BE ABLE TO ROLL FORWARD AT EXPIRATION.

At this writing the cooperative is putting in a new 8000 bu. per hour leg at the west bean complex which will make dumping beans in the west pit, go at least 4 times faster than we have been used to.

With spring coming, we will have a complete line of forage seed, seed oats, lawn seed, fertilizers, seed corn, seed beans and some packaged chemicals. Don't forget to call Larry for your fencing needs.

As you get ready for spring planting, **PLEASE, BE SAFE.**



New ECIC dry floater

Feed Division

Dennis Francik



Hopefully by the time this edition of our newsletter gets to print and out to our patrons the weather will have warmed considerably and we will be in the final grasp of "old Man Winter". What a winter it has been, huge amounts of snow through December and January along with bone chilling cold through out most of February, where has the media been hyping global warming?

When weather or other issues arise and challenge our workers it certainly presents an opportunity for management to see what our mill and delivery staff is "made of". In addition to the challenge thrown at them by winter weather we were also without a feed delivery unit for over four weeks as that unit had engine problems that took a long time to resolve. Through out that time period of December 2008 through February 2009 our mill and staff manufactured and delivered well over 21,000 tons of feed to area producers. Our drivers fought snow drifts, icy roads, sub-zero temperatures, icy and snowed in building sites, high winds and blizzard conditions, if you can think of it they encountered it. Through out that period of time even though there may have been times that tempers flared and people were certainly tired and stressed our mill and delivery staff got the feed out in a timely manner to all our producers that were just as stressed trying to keep snow moved and their sites accessible and get their livestock to markets.

At a recent senior staff retreat we were challenged by the meeting facilitator to examine ourselves and our employees as to what type of work habits we have and those of our employees. Just a brief summary so my following comments will make sense. Our facilitator described the three following types of work habits that most people exhibit; RENTERS are workers that just show up to get a paycheck, they are not actively engaged in their job nor do they care about the company they work for; LEASERS are workers that do care a little more about their job and do a good job daily but really exhibit no interest in the well being of the company they work for; OWNERS are workers that regularly go above and beyond to accomplish their daily tasks, they are reliable and show a real concern for the "well being" of the company they work for and take pride in that relationship. I certainly could not be more proud of the entire feed team for the efforts they put forth this winter. I kept asking myself almost daily, when will someone quit, or just not show up any more? During

our facilitators presentation I realized that our feed team is not only a "team" but each one of those people are OWNERS of their job, so here is a special "shout out" to them for a job well done! Now, we've had enough of winter, we are ready for spring. For anyone that has been following the nightly news, the economy is almost always the lead story, I don't need to revisit those issues that we are all so aware of already. But some of those economic effects are starting to show in our feed business at ECIC. To date we are slightly ahead of last year in both dollar sales and tons of feed sold. However I fear the next six months may not hold as well. Swine producers have not had profitable production for nearly eighteen months, and earlier many economic forecasters had predicted that the first and second quarter of 2009 would start a turn around and production would be profitable for 2009. To date production continues in the red, and now forecasters are calling for a 3rd and 4th quarter turnaround. I sincerely hope they are right. We are starting to see some producers that have contract barns that are empty, and there certainly is not a big demand from other producers to assume those contract barns. Even with much lower feed costs, most producers are breaking even at best and some losing over \$30 per head. I just don't know how much longer these conditions can continue without some loss of feed tonnage in our trade area. Unfortunately this is not unique to the swine industry. Pilgrim's Pride, one of the nation's largest poultry producers, has declared bankruptcy, and dairy producers are selling milk at ridiculously low prices; beef producers are suffering as well. I am really amazed as I shop at our local grocery stores that prices of all foods, especially meat and dairy products, have not fallen more than they have to date. Again it seems that retailers are very adept at raising prices due to higher fuel costs and higher costs of products and very slow to react by lowering prices which would help stimulate demand for these products when those prior issues are reversed.

Next newsletter I will give a brief financial preview of the feed division. This being February and the end of our first six months, we will conduct an unqualified audit, which will give us a clearer picture of the financial well being of the cooperative. For now I hope the balance of the winter treats you well, and I really hope that in another six weeks or so you might find me again on one of the local golf courses. As I stated earlier I've had enough of this winter, bring on spring!



Now available Purina Mills

Strategy GX, Omelene 200, Horseman's Edge Sweet 12, Equine Senior, Equine Junior, Enrich 12, Enrich 32, Free Balance 12:12, Nicker Makers and more! Call for help with your needs!



Hudson Ag Center

Gary Schulz

Hello from the Hudson Ag Center! Hopefully the very cold temperatures are gone and we will be having more spring like temps from now on. The very cold temperatures may have done us some good. Insect populations may be less because of the extreme cold. Soybean aphids over winter on buckthorn and the eggs will freeze at -29°; hopefully the numbers go down. Bean leaf beetles also can't stand the cold. The cold weather is also hard on beneficial insects. Maybe we can hold down on spraying this year to cut down on expenses and also build up beneficial insect numbers.

Corn and soybean diseases are more of a weather function during the growing season. Work is being done with fungicides trials and now the studies show that one could possibly get an increase of 20 bushels per acre. That sounds great, but it also can show a decrease of 15 bushels per acre so more work needs to be done. Overall averages across the state show slight increases in yield of both corn and soybeans.

Not too much new on crop protection products. Some reformulations with the addition of safetners. Most of the talk this winter is about using something "pre" in front of Roundup. It makes sense to use different modes of action and using residual herbicides to help Roundup applications so the weeds do not develop resistance.

Fertilizers? Like it or not, we are in a global market. Fertilizer usage is in an upward trend worldwide. Usage in the U.S. is in a decline but overall going up worldwide. We import between 50-60% of our domestic N and production is being curtailed. Phosphate production is also being cut back along with potash, so the outlook for cheap fertilizer is pretty bleak.

Corn and soybean seeds need to be ordered soon if not already ordered. Please check with Heather or Ben on pricing and availability.

One farmer last December told me we would be in the fields this year by March 26th or 27th. I hope he is right. From everyone at the Hudson Ag Center, have a safe spring.

TRIVIA QUESTION

Our last trivia question was: "Who was the first President to survive an assassination attempt?" (Answer: Andrew Jackson, and our winner is Wilbur Mumm.)

Our next trivia question is: Which President became vice president and president without being elected to either? (Watch the next newsletter!)



Waterloo Energy Center

By Kurt Raymond

Greetings from the Energy Center

As spring approaches, we have seen a substantial decrease in fuel, gas, and LP gas prices on the wholesale and retail level. Crude oil has dropped from \$150.00 per barrel last year to \$ 37.00 per barrel today, February 16th. East Central Iowa Co-op has passed on these lower prices to our customers and we are offering diesel contracts for spring and LP gas contracts for next fall and winter. We will offer contracting anytime of the year if it fits your needs. We recommend filling your diesel tanks for spring. These are the lowest diesel prices we have had the past four years. Our LP gas summer fill program will start in April and run thru September 1st. Budget accounts will be set up in May for next year. Please be sure you are current on your account before we start the new budget plan.

The Energy Center is in the process of up-dating our cardtrol locations at Dysart, Hudson, LaPorte City, and Vinton. We are promoting a new CHS image. The canopies, lights, and pumps will be updated to a new more modern image. These enhancements are basically covered by our Branded Retail Agreement with CHS.

The Energy division has been approved by our Board of Directors to purchase a new tank wagon refined fuel truck. We should have the truck in service by next Fall. That will give us two large delivery trucks to improve efficiencies in fuel and gas delivery for our customers. The new truck will have a 4500 gallon capacity and our other truck is a 4000 gallon tank wagon.

We have a new tank wagon salesman in our Dysart area. His name is Mike Hall and he lives in Dysart. Mike replaced Tom Brandt in November. Tom became a full time postal employee delivering mail on a rural route in Dysart. I would like to thank Tom for several years of good service with Members Mutual Oil Company and with East Central Iowa Cooperative. Mike has taken over very quickly and has been doing a great job for ECIC. We look forward to having Mike with ECIC for a long time. Please call Mike on his cell phone 319-269-6785 or call the Energy Center for your needs.

The Energy Center sent letters out to customers who may want to become members with ECIC. This past year we paid out 1.90 cents per gallon on LP gas and 1.35 cent per gallon on refined fuels. All of the other departments paid out patronage refunds as well, so we are encouraging

Wood house demolished in Jesup



Deanne Brown

New Jesup ECIC Employee

Deanne Brown is our new Accounting Assistant at the Jesup Ag Center. Deanne has had a successful career in the propane business and we look for her to continue that success here at ECIC. Please welcome Deanne when you see her.



customers to become members and patronize the co-op .

We will be sending out dust control letters in March. Customers need to return their permits soon as the deadline for applications for some counties is April 15th.

If you need miscellaneous equipment such as pumps, nozzles or hoses, we have them available at our Waterloo office. Stop in and see what is available. We will be glad to help you with your equipment needs. We would also recommend replacing your furnace filters to keep your furnace efficient and reduce your energy costs.

In closing, we will be having a spring lube oil sale in March. Our flyer is in this newsletter. Thank you for using ECIC for all of your energy needs.



Donation to Jesup Fire Department

Land O' Lakes Foundation and East Central Iowa Cooperative matched donations to provide \$450 for the Jesup Fire Department to be used for firefighting equipment. Pictured above is Fire Chief Andy Trumbauer accepting the check from ECIC's Jeff Lee.

Controller Joe Murphy



Spring is right around the corner which means we are half way through our fiscal year and we continue to produce strong results on top of last year's exceptional financial results. Sales are up over last year by roughly 10 million which is driven mainly from grain sales which account for 9 million of this total. We are up on feed sales slightly and running behind last year on agronomy and energy due to the wet fall and lower fuel prices respectively. We are having an exceptional year on propane sales due to busy drying season along with a very cold winter season. Our operating income is up over 1 million over last year as we have had a record year in drying income along with a good year in grain storage as we have taken advantage of some storage contracts with one of our sales partners. We have reduced our interest expense significantly now that the grain markets have stabilized and our margin requirements have gone away for the most part. We are on plan to meet our budgeted targets for the year and continue to maintain our strong balance sheet.

As Dennis mentioned in his article, we are revolving equity for all patrons who were born during 1935 and 1936. This revolvment process is driven by the birthday in our accounting system. So it is very important that we have accurate information for all sole proprietors, partnerships, LLCs and corporations. For all entities with more than one member we need all member's birth dates and the percentage of ownership of the entity so that we get complete the revolvment process. I would encourage all patron members to make sure we have this information on file so we can handle this process as we move into future years.

By now the tax season is coming to an end for most patrons and I'm sure everyone who sold grain to the Coop noticed the new information showing up on your 1099 patronage for per unit retain paid in money. This was required by the cooperative so we could take advantage of section 199 which will allow us to minimize our tax liability and keep those funds within the Cooperative.

Finally, for the last time, we still have numerous checks that were returned from the common stock checks we issued this past year that were returned due to the wrong address.

Please contact us if you know the following individuals:

Hogan Farm Account, Thomas Dinsdale, Alan Kraus, Robert Sherbon, Jack Hansen, Lester C. Shogren, Donald Johnson and Elvin Hansen Jr.

Have a great spring and planting season.

Cedar Falls Rand E. Renner



Hello from Cedar Falls

Well, Mother Nature has certainly shown us who is boss this winter, hasn't she? What I am getting at, is that we need to remember to take care of our feathered friends and wildlife!! We have plenty of bird seed mixes on hand, ear corn for the squirrels and bagged corn for the ducks, geese, and deer. I have also seen quite a few pheasants and wild turkeys that could use a little help also. Stop in and we can fix you right up with something that will take care of all of the wild creatures that you have!!

We have been shipping a goodly amount of corn and beans out of the Cedar Falls location and we have free Price Later open... It would be a very good idea to move some grain out of your farm bins and get it to town, so we can take care of it for you. We have had some corn that came in, when the temperature was below zero, that was VERY badly damaged and growing!! Please keep an eye on your commodities and let us know if we can be of any help.

We have been selling a lot of potash, to be used for melting the ice. It works really fantastic and isn't as corrosive on cement as salt is. Potash, being a fertilizer, is also good for your grass and other plants. We always have some in stock, so either bring a pail to put some in, or we have it in 25lb. bags, whatever is more convenient for you.

We greatly appreciate all of the business that our Cedar Falls patrons bring our way. It makes our days all worth while. Hopefully this can continue for many more years to come!! Being here at the Cedar Falls location has been almost like an extended family adventure.

I want to personally thank everyone who has called or stopped in to see how my leg has been since I broke it at the beginning of January.. The doctor said it will probably be another four months before I can use my leg for walking but at least it doesn't hurt. And besides I am getting real handy with my crutches!!

By the time you all read this Laurence Brocka (part timer) has decided to get out and do some horse racing. If you didn't know this he has about 6 race horses that he runs around the Midwest. If anyone is interested in betting on the ponies, I am sure that he would be glad to show you the ropes and teach you how to bet and win BIG!!

With spring work fast approaching please keep in mind to be safe! Safe! Safe!. We don't want anyone getting hurt or killed because of carelessness. Get plenty of sleep even though we will be in a hurry up situation. Please also watch out for traffic when transporting equipment down the road and highways. Just because you've never been injured yet, is no

Grain Brad Stewart



Planting season will arrive soon and producers will need to make their final decisions on planting intentions. It would appear that soybeans might hold the edge currently, but this can change several times before the crop is actually planted. New crop corn is currently \$3.40 and beans are \$9.00. Argentina has received enough rainfall to take the weather risk out of the market for now. Look for prices to remain depressed unless we run into planting delays here.

The City of Cedar Falls has contacted us about the possibility of moving our grain location to a new industrial park located on the west side of Leverage Road, across from the Waterloo Airport. This new industrial park will have rail access, greater property size and less flood risk than our current location on Lincoln Street. The city will allow us to remove any assets that we would like to keep, and leave anything we don't want without paying any kind of disposal charge. We are currently gathering bids from contractors to see what it will cost to relocate.

Please pay close attention to your grain bins this spring. The corn crop was high in foreign material this fall and has proven to be hard to dry as well as store. We have opened no charge price later at all locations. This will give you an opportunity to core your bins. Have a great spring and thanks for your patronage.

lifetime guarantee!! Please come home to your family every night uninjured..

Please keep in touch and we always have the coffee pot on and the popcorn is always popped

Goldfinches, cardinals etc. are eating up a storm. We have plenty of mixed bird seed, suet, to feed our flying friends.

Rand E., Gary, Glynna and Laurence..

GOD BLESS AMERICA!

Bird
Supplies
at
Cedar Falls ECIC





Customer Connection

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STANDARD MAIL
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PAID
Permit No. 10
Hudson, IA 50643

In this issue:

- *Call to Membership Stock*
- *Scholarship Application Information*
- *Manager Reports*
- *Demolition photos from Jesup*

ECIC Locations:

• **Hudson**
602 Washington Street
PO Box 300
Hudson IA 50643

• **Jesup**
661 Douglas Street
Jesup IA 50648

• **La Porte City**
106 Cedar Street
La Porte City, IA 50651

• **Cedar Falls**
212 Lincoln Street
Cedar Falls IA 50613

• **Waterloo - Energy**
1467 West Airline Hwy.
Waterloo IA 50703

Today's Markets
3-4-09

	<u>Corn</u>	<u>Beans</u>
<u>Today</u>		
Hudson	3.35	8.28
Jesup	3.49	8.28
La Porte	3.44	8.28
Cedar Falls	3.36	8.28
<u>Month Ago</u>		
Hudson	3.26	8.91
Jesup	3.30	8.91
La Porte	3.41	8.91
Cedar Falls	3.31	8.91

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