

# Annual meeting held November 20th: Meet your new Board

# 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](http://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         |



Left to right, the newly organized Board after 2008 election for three seats: Newly-elected Shane Clark, Jason Trumbauer, re-elected Randy Lichty, James Grady, Tom Greiner, re-elected William Hesse, Dennis Rottinghaus, Leo Kremer, and Mike Reiter.



The Annual Meeting of 2008 included a pork chop dinner and plenty of conversation.

## MEMO BOARD

**Leadership 101 Conference**  
Please contact any office of ECIC if you or someone you know might be interested in attending the ECIC and Land O'Lakes-sponsored training.



**Holiday Closings:**

- Wednesday, December 24**  
Christmas Eve closing at noon; reopening Friday, December 26, at 7 a.m.
- Wednesday, December 31**  
New Years Eve closing at noon; reopening Friday, January 2nd, at 7 a.m.

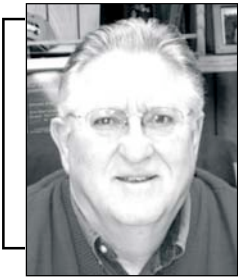
**ECIC Board Officers**

- Jim Grady,  
President (re-elected)
  - Mike Reiter,  
Vice-President
  - William Hesse,  
Secretary (re-elected)
- Thanks to these officers and all Board Members for their service!*

**MANY THANKS TO  
RETIRING BOARD MEMBER  
JOHN BABINAT FOR HIS SERVICE!**



**ECIC  
on the web:  
[www.ecicoop.com](http://www.ecicoop.com)**



# Message from your General Manager

**Dennis Maas**

Thursday evening, November 20, your Coop held its 12th Annual meeting at Electric Park Ballroom. A report was given by Jim Grady, Chairman of the Board. Ron Pullin, Chairman of the Nominating Committee, presented the slate of candidates for the Director elections. The financial audit report for the fiscal year was given by Mark Rodruck, auditor for the firm of Gardiner Thomsen, and I presented the management report. For those members that could not attend, I will give a brief overview.

Chairman, Jim Grady, reported to membership about the Coop's activities that the Board of Directors were involved in. He reported that the Board participated in several planning sessions, training seminars and regional annual meetings. Jim discussed the scholarship program that E.C.I.C. supports. We sponsored two applicants, April Brown and John Lichty, for further education in agriculture this last year. Jim elaborated on the flood at the Cedar Falls location, the costs, the clean up and recovery. He talked about the capital asset expenditures for the year at one million dollars and what those dollars were spent for. Jim addressed the issue of community investments that E.C.I.C. has been involved in. The past five years E.C.I.C. has contributed, in conjunction with Land O' Lakes Foundation, over \$12,000.00 to community projects that we are affiliated with. In the past fiscal year, Jim reported that the coop returned to its membership over \$700,000.00, of which \$511,132.00 was previous equity revolved and \$200,000.00 was cash portion of this year's patronage, which was 50% of the allocation.

Jim recognized one director this year for his contributions to the Board of Directors and E.C.I.C. John Babinat served on the E.C.I.C. Board of Directors for 6 years from 2003-2008. We want to express our sincere appreciation for John's passion and support while serving as director.

Ron Pullin, Nominating Committee Chairman, reported the results of the director elections as such: Bill Hesse - Cedar Falls, Randy Lichty - Hudson, and Shane Clark - La Porte City. Bill and Randy are incumbents, while Shane was elected as a new director. We would like to thank the Nominating Committee for their time and efforts spent on seeking out candidates to be nominated. We want to thank the candidates for allowing their names to be put into nomination for election to the board. We encourage members to participate in this process, not only in the voting process, but the consideration of being a candidate for election

to the Board of Directors.

Mark Rodruck, auditor, reported to the members the fiscal year end financial performance. He highlighted sales of \$107,675,000.00 up \$33,702,000.00 over the previous fiscal year. The increase is primarily due to the increased prices of grain, energy and agronomy products. Operating revenues were up over the previous fiscal year \$1,043,000.00 over last year to \$8,320,000.00. After expenses this left our operating earnings up \$132,000.00 over last year to \$470,000.00. With the addition of patronage from regionals (\$690,000.00), the loss from expenses on the Cedar Falls Flood (\$1,317,000.00), and the gain on sale of securities in other organizations of (\$1,744,000.00), we had net earnings of \$1,587,000.00. We are very pleased to report these positive numbers to the members of E.C.I.C. By the time you have received this newsletter, you should have received your patronage check. The Board of Directors approved to pay out 50% of the allocated earnings in the form of cash this year.

In managements reports we detailed some of the major accomplishments throughout the year and recognized employees' years of service. Of our employees we had five that celebrated their years of service with E.C.I.C. These employees are:

Jamie Allen - 20 years - Hudson feed mill operator

Jeff Lee - 25 years - Jesup location team leader  
LaVern Liebsch - 35 years - Jesup elevator supervisor

Jim Clayton - 20 years - Jesup feed mill superintendent

Keith Koger - 25 years - La Porte City team leader

There are 125 years of service represented by these five employees for an average of 25 years.

We share in their employment anniversaries and wish them many more.

One of the major accomplishments this past year was the second condo grain storage project. This year we built a 200,000 bushel bin at Jesup. This bin was built next to the previous 200,000 bushel bin and receiving pit and leg. The patrons of E.C.I.C. purchased about one half of the storage bushels while the coop retained ownership in the other half. We will sell any of the condo bushel storage that the coop owns if patrons are interested. We encourage you to let us know if you decide you would like to own some of this condo storage.

At the November board meeting following the election of Directors at the Annual meeting, the Board reorganized themselves into committees and elected officers. The President re-elected was Jim Grady, Vice President elected was Mike Reiter, and Secretary re-elected was Bill Hesse. These committees and officers of the Board will stand until next year's election at the Annual Meeting which is Thursday, November 19, 2009.

The Board of Directors has again approved two couples or individuals to attend the Land O' Lakes "Leadership 101 Conference". The conference is held in conjunction with Land O' Lakes Annual Meeting which is held in Minneapolis, Minnesota, Tuesday thru Thursday, February 24 thru 26, 2009. If you are interested, E.C.I.C. in conjunction with Land O' Lakes will sponsor you financially. Some of the "VIP" sessions you can become involved in include various senior leaders including corporate directors, the Board Chairperson, the President and CEO, Leadership Council members and others. There is also a lot of fun built into those days as well as learning insight and networking with the future leaders from across the nation. If you are interested, please contact one of our locations, a board member or myself at Hudson.

In closing, thank you for the support you gave your coop this fall and throughout the previous year. The employees of E.C.I.C. are dedicated to your service. I wish all of you the Merriest of Christmases and a Happy and Prosperous New Year.



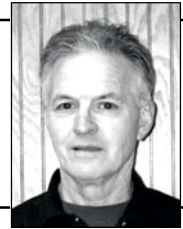
**YEARS OF SERVICE:** Left to right, Keith Koger, Jeff Lee, James Clayton, and Jamie Allen. (Not pictured: Lavern Liebsch)



**Hudson Ag Center**  
Gary Schulz



**Grain**  
Brad Stewart



**Cedar Falls**  
Rand E. Renner

Greetings from the Hudson Ag Center!

Writing this newsletter, I'm trying to think of a fall like this one. It started with a late spring which means a late fall, then add prices on top of the mess, makes it quite interesting. If we have an open winter please make all attempts to apply your fall needs. Gene will be talking more about pricing and supply. By waiting till spring, pricing and supply could become an issue.

Soil sampling has been a challenge this year with delayed harvest, wet soils, and delays at the lab with so many samples. It is still a good idea to sample on a timely basis. The price of corn and soybeans vs. input costs makes sampling more important.

We had corn and soybeans harvest test plots this year at Hawkeye Community College and had very good results. There were corn on corn plots, corn on soybeans, and soybeans on corn this year. If one needs to look at the results please contact Ben or myself to help you decide. We have some deadlines on ordering and cash discounts by December 15th so stop in and get your seed locked in.

Thanks for your business in 2008 and hope we have a better year in 2009. Have a Merry Christmas and a Happy New Year from all of us at the Hudson Ag Center.

We are almost complete with harvest 2008 at the time of this writing. Overall yields seem to be surprisingly better than expected. Cash prices continue to be disappointing, and producer selling has been sparse at best. I believe that prices will be better in January, but I can say that I never expected them to drop as much as they have recently. Negative news continues to dominate all of the markets. The stock markets and energy markets have been pounded in recent weeks, and the election didn't seem to help as much as everyone had hoped for.

Based on our current situation I feel that corn should trade between \$4.00 and \$4.50 per bushel, and beans should be around \$9.50.

We have added a new location to our grain division. ECIC has leased the Landmark Ag grain facility at 1750 Broadway Street in Waterloo. The facility consists of 600,000 bushels of upright storage, and two grain bunkers at 1,000,000 bushels each. Mike Hiller will be the location team leader, and I'm sure he would love it if you stop by to see him.

I would like to thank all of the patrons at the Waterloo facility for their patience during the transition period.

Thanks to all of our patrons for another successful year. Merry Christmas and Happy New Year!!!!!!!!!!!!!!

Hello from Cedar Falls

When we visited last, I had talked about how Mother Nature likes to show us who is boss!! Well, we may have been down, but we are definitely not out!! After much clean-up and extensive repairs, your Cedar Falls location is back in business. We started to receive beans in here at the end of September and have had a wonderful fall harvest!!

We have been shipping corn by rail again, and have moved quite a few bushels of beans out by truck. Hopefully the corn harvest will be winding down in the next couple of weeks, but I suppose that is going to depend on Mother Nature (the boss).

I want to welcome the new patrons that have been coming to the Cedar Falls location since we leased the LandMark facility. Hopefully we can continue being of service to you in the future. Please feel free to call or stop in for coffee or popcorn anytime.

Again I want to thank all of the wonderful patrons and friends who came here and helped clean and rebuild. Without you we wouldn't be back to nearly 100%. It makes us here at Cedar Falls really appreciate the relationships that have been built up over the years. Thanks again!!

Right now we are working out of a rented office trailer that sits where the old office used to stand. We have all of the computers and communication equipment installed and things are running quite smoothly!?!?

We still have plenty of storage for grain this fall, and will be more than happy to accommodate you.

When any of you are in the area, stop in and have a cup of coffee and take a look at the scrap book that Gary put together with the pictures of the flood.

Like I said Mother Nature likes to be the BOSS!!

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!!

Please keep in touch and we always have the coffee pot on.

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

Rand E., Gary, Glynnna, Marge and Lawrence

**SUPPORT OUR TROOPS!! GOD BLESS AMERICA!!**



East Central Iowa Cooperative General Manager Dennis Maas at the podium at the Annual Meeting. Board President Jim Grady is seated at the left.

**TRIVIA QUESTION**

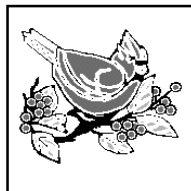
*Our last trivia question was: "Which President was the only American President to be unanimously elected?"*

*Nobody answered it correctly.*

*The answer is: George Washington.*

*Our next trivia question is: Who was the first President to survive an assassination attempt?*

*(Watch the next newsletter!)*



*Remember our fine feathered friends in the winter ... and check out the line of bird supplies at our Cedar Falls location!*



**Hudson:** Back row: General Manager Dennis Maas, Ron Bakker, Jamie Allen, Dennis Francik, Brad Stewart, Gene Mitchell, Greg Smith, Joe Murphy, Ben Low, Gary Schulz, Don Schulz, and Rod Berry. Front row: Judy Kramer, Karen Kopf, Judy Hinkle, JodyWernimont, and Marion Brumbaugh.



**Cedar Falls:** Gary Shaulis, Glynna Borwig, and Rand E. Renner.



**La Porte City:** Shane Clark, BJ Rizicka, Heather Wildeboer, Patrick Bailey, Marilyn Purdy, Larry Mehlert, Dan Scott, Rich Bathen, and Keith Koger.



**Waterloo Grain:** Mike Hiller and Kelly Jacobsen.



**Waterloo Energy:** standing, Terry Grant, Tom Brandt, Brett Sapp, Mark Abben, Kurt Raymond, Larry Kluitter; seated, Dawn Haislet and Laurie Saul.



**Jesup Mill and Office:** Lavern Liebsch, James Clayton, Russ Larson, Gene Marsau, Jeff Leverington, Shane Hepler, Joe Schmitz, Kym Weltzin, Jeff Lee, Roger Ohrt, Chad Ciesielski. Not pictured, Larry Pullin.



**Jesup Ag Center:** Tim Davis, Amy Mazingo, Shawn Davis, Greg Stanek and Norm DeJong.

*From All of Us at ECIC - Wishing You the Merriest and the Happiest!*



## Agronomy Division

Gene Mitchell



## La Porte City

Keith Koger



### Fertilizer Update

#### Price

The question I get asked most frequently today is "Have fertilizer prices come down yet?" It is hard to answer that question. The wholesale market has shown some weakness, but retailers' sheds are full and there is no room for new product, so no sales have actually been made.

Most retailers made commitments before August to secure a supply of product for your fall needs based on historical averages. Three potash mines in Canada had been on strike for months reducing normal production. China and India hadn't purchased their upcoming needs yet. It looked like demand would again stress the system to provide enough supply for our domestic needs and that fertilizer prices would continue to climb. December corn was trading in a range of \$5.50 to \$8.00 per bushel from May to August. Grain prices in the summer clearly supported the higher fertilizer prices. That was before the credit crisis mess developed.

Early in September Treasury Secretary Paulsen engineered a US takeover of Freddie Mac and Fannie Mae. On September 15th Lehman Bros. declared bankruptcy. On September 25th the assets of Washington Mutual were seized by the US government. Assets based on inflated, ill-advised mortgages and the poorly understood credit default swaps that guaranteed them lost value. It was like blowing up a balloon and then letting go of the end of it.

Speculators, previously fat with cash, now had to pull out of the commodity markets. December corn in November now trades below \$4.00 per bushel. Foreign countries are not immune. They are also experiencing a recession. They haven't made many substantial purchases yet. Are they waiting for the bottom of the market, or do they even have the ability to purchase product now? For the last year fertilizer pricing has been based on demand. The question is: what is the demand now? Bean yields were respectable but corn yields surpassed expectations this year, especially considering the late spring and the growing conditions this summer. Can you afford not keeping your fertility up and risking reduced yields in the future?

#### Availability

Waiting until spring is not an option. If

### GREETINGS FROM THE LA PORTE CITY LOCATION

Another harvest has come and gone. It has been a very trying fall. Wet weather and wet corn.

I would like to thank everyone for their cooperation and patience this fall. We did have to stop taking wet corn early on several days. We ended filling one bunker. This year the drier had to run around the clock several days. I would like to THANK THE EMPLOYEES for all the hours they put in to keep things running smoothly. Yields seem to be decent for most of the patrons, both corn and soybeans.

You should start seeing some construction work on our new soybean leg, which will be replacing the slow leg, sometime in

everyone plans to apply what they normally do, but wait until spring hoping that prices are cheaper, the distribution system won't be able to handle the volume. There will be spot shortages and prices will go up again, maybe higher than this fall. You will risk not getting the product in a timely manner and suffering yield reductions. This would hurt even more if grain prices rally next year.

#### Return on investment

A safer bet would be to invest in grid sampling to take an accurate inventory of your soil fertility and only apply fertilizer where you have a good return on your fertilizer investment. That way you have a chance to increase yields and have more crop to sell at the end of the year.

#### Yields

United Nations Secretary-General Ban Ki-moon has called for a 50 percent increase in food production by 2030 in order to feed the world's growing population. Monsanto has said that by 2030 we will have hybrids that average 300 bushels per acre. Those kinds of yields will require substantial fertility programs to sustain them and you will have to raise those kinds of yields to be competitive in the world marketplace.

#### Holiday wishes

While we have experienced a lot of negative news this fall, it is important for us to consider our blessings. We hope you and your family can experience the joy and happiness associated with the Holiday season and truly enjoy it. Keep safe.

December. It will be a much needed improvement.

You may have noticed a new face working at the coop this fall. Patrick Bailey from Hudson started to work here September 1. Patrick took Rod Berry's place as Rod transferred to Hudson. Please welcome Patrick to the Coop family.

Again THANK YOU FOR YOUR BUSINESS AND YOUR COOPERATION.

The Employees here at the La Porte City location would like to wish everyone a VERY MERRY CHRISTMAS AND A HAPPY NEW YEAR.

Keith, Larry, Marilyn, Rich, Heather, BJ, Ben, Don, Patrick



Patrick Bailey

## Welcome to new employee

Patrick has joined our La Porte City location as of this fall. He has worked periodically at the Hudson location in past summers, so he is well acquainted with our procedures. Patrick lives at 4600 South Hudson Road in Cedar Falls. Patrick and his girlfriend, Nicole, have a 3-year-old son, Caiden. Patrick enjoys farming, spending time with his son, fixing things and any outdoor activity. He is also a volunteer fireman on the Hudson Fire Department.

Patrick says he enjoys working in the grain and agronomy departments and enjoys working with his fellow co-workers.



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!

## JESUP

Jeff Lee



## JESUP AG CENTER

Norm DeJong



## Waterloo Energy Center

By Kurt Raymond



Seasons greetings from Jesup! Another harvest is coming to a close. This year's harvest went rather smoothly, considering the wetter than average crop. It seemed the corn would never dry down, but it did eventually lose a few points of moisture. With this wetter corn crop, there were a lot of fines in some corn, so it would be a really good idea to core your bins as soon as you are done harvesting. This will help the air to better circulate through the bin more evenly. This year we also noticed lighter test weight, and in the past we have noticed that the lighter corn never keeps as well in storage.

I would like to mention that we have rented our tire shop facility to D & D Tire from Raymond, and they will be open to serve your tire needs starting November 17th. They also have on-the-farm service. To contact them their phone number is 319-827-3333.

The removal of our old wood grain annex has been an interesting challenge. We thought we were going to be able to burn it in May, which was postponed to June and then July. Due to uncontrollable circumstances, we are unable to burn it where it stands nor can we haul it to another location locally. DNR rules say you must be at least 6 tenths of a mile away from any surrounding residence. This is almost impossible to find in Iowa. Unfortunately, it appears we will have to dispose of it at the landfill with considerably more expense. We are still waiting on an estimate from PCI.

With the Christmas and New Year holiday rapidly approaching, I would like to inform you of our holiday closings. We will close at noon on Wednesday, December 24th, and reopen at 7:30 a.m. Friday, December 26th, for Christmas. We will also close at noon on Wednesday, December 31st, and reopen at 7:30 a.m. on Friday, January 2nd, for New Years. We would appreciate your cooperation in placing your feed orders as early as possible so we may accommodate your feed needs over the holidays.

Happy Holidays everyone! There is one word that I have heard all summer and fall –“Change”. Apparently, we like change, and here at the Jesup Ag Center there is change. The Ag Center took delivery of a new Case IH floater on Wednesday, November 5, 2008. It has a twin bin multiplier box, and the unit has replaced the former 1999 dry fertilizer floater. Greg Stanek will be the primary operator. The new unit is equipped with GPS to enable variable rate application and auto steering. That is a change from the old foam markers that freeze up in below freezing weather, and there is no problem finding where you were after the foam dries up. It also makes a coverage map on the screen in the cab so that Greg can make sure that the entire field is covered. This is especially helpful in being able to return to the exact same spot, after a refill, to begin application again without an overlap or missed spot. Also, small irregular shaped fields where you can lose track of where you've been and what you've got left to spread is no longer a problem. Greg is excited to run a new machine with the latest technology and to put it to work on your farm. ECIC's ability to offer variable rate application has not changed, and I have seen several fields this fall that had an overall reduction in dry fertilizer applied compared to the usual blended application. It's a great way to save product and dollars.

At the Jesup Ag Center, we worked through the winter ('07, '08) on a project. We wanted to create a field map for every field on which we do custom application of any kind, including ground and aerial application. The purpose for this project was to improve efficiency and accuracy of custom application. This has been accomplished, and the result is clearer communication of exactly what field should get the application, where it is at and what it looks like. A custom application order starts with receiving the order and goes through the process of making an application work order, and then the truck driver and the applicator both have to find the correct field. The applicator, in some cases, is an out-of-state pilot, so it is very important to make this as clear as possible. This has saved a lot of time and eliminated confusion. This has also increased our confidence enormously that the pilot will make the application correctly.

Here is my annual December newsletter reminder: Keep private pesticide applicator licenses up to date. Please check your status and get it updated if needed. There are several pesticides that require a private applicator's license. One common pesticide is atrazine. There are many products that have atrazine in their formulation and they all require a pesticide applicator's license.

I know for a fact that one thing will change this year, the weather. I hope it will be to your liking. Thank you for your business. We, at the Jesup Ag Center hope that you all enjoy the holiday season. Have a Merry Christmas and Happy New Year.

Happy Holidays from the Energy Center

Another year is almost over and we have seen record high prices this past summer, along with a huge drop recently this fall. Market changes have been very untraditional and unpredictable. We take advice from energy specialists, and they are not very sure where the market will go. The economy and world demands, along with production, are causing huge swings. We have experienced pipelines being out of product and long lines to get a load of fuel. It seems wise to keep some fuel in your tanks so if there is a shortage, you won't have to wait to get your delivery. We were fortunate and did not have to keep any customers waiting for their fuel.

We have been operating this fall with our new 5,000 gallon LP truck. It has proven to be very efficient and a good investment for your cooperative. We will look forward to using this truck and any new vehicles like it in the future. There has been a lot more LP gas for corn drying this year, and we have kept up with the demand. There is still more corn to be harvested, and we are happy to report that yields are very good over-all, in spite of the wet spring and the flooding we experienced.

Our winter fuel blends are now at the Card-trol locations. As the temperature goes down, we will blend the fuel to -30 degrees below for your protection. We will also blend our farm diesel and have #1 and #2 fuel oil available for your home heating needs. Our locations will all carry anti-gel products for your convenience. Please remember to change furnace filters monthly and have your furnace serviced when needed. It is a good idea to keep your fuel tanks and equipment tanks on the full side for winter.

We will again offer diesel contracts early this next spring. You can lock in your fuel needs with your tank-wagon driver or by calling the Energy Center at 319-235-6281 or 866-404-3242. Check with us for your spring lube oil needs. We have high quality lube oil and grease!

I would like to welcome our new office bookkeeper, Dawn Haislet. Dawn has been working at the Energy Center since July when Lorinda left. Dawn has been doing a great job and learned quickly. She is a welcome addition to ECIC.

Happy Holidays!

The Energy Center, Kurt, Operations Mgr., Laurie, Dawn – Office, Terry, Sales Mgr., Don, Tom, Craig, Larry, Brett, Mark, Chuck, and Bud, Sales & Service

## Controller Joe Murphy



Another year end has passed and, as published, we enjoyed a successful and eventful year for ECIC with our strong operating results, along with all the extra excitement of the Cedar Falls flooding and the acquisition of Waterloo Grain's assets. As I write this article we are almost 3 months into our new year, and we plan on continuing our profitability throughout the coming year. Our budget this year is more aggressive than last year's goals, and we plan to hit those targets through these challenging times. Through the end of October our sales revenue for two months is 23.7 million versus 13.7 million for the same time last year as result of strong grain sales. Also our operating income is seeing improvement over last year due to higher storage income along with more drying income over last year.

We continue to watch our operating expenses, and so far we are under budget by 90 thousand dollars due to lower payroll cost as compared to budget. We continue our profitability from last year as we show a respectable profit considering the time frame of the year. Traditionally our profitability is generated during the second half of the year.

The patronage checks totaling two hundred thousand were sent to all patrons that were unable to attend the annual meeting on Monday, November 24th. Please let the Hudson office know if you have any questions or did not receive a check if you were expecting a patronage payout.

The addition of the Waterloo Grain facility has been very productive, and we are showing strong membership results. We encourage any producers that use that facility to suggest to their neighbors and friends considering the benefits of joining the East Central Iowa Cooperative.

Finally, and for the final time, we still have numerous checks that were returned from the common stock checks we issued this past year that were returned due 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.*

Best wishes for a safe and happy holiday season and a better year in 2009.

## Feed Division

Dennis Francik



I'm writing the current edition of the newsletter this morning from the warmth of my office. When I got up this morning and tuned into the local news, the weather reported early morning temperature at 15 degrees. Just a reminder of what lies ahead; up to now at least we've not received any snow or ice, but wet weather has certainly prolonged an already late harvest season. At the time of this writing, the harvest activity has remained strong with many standing cornfields in our trade area awaiting the combines. Most of the producers I've talked to are pleased with the yields from both corn and soybeans this fall, though no one is talking record breaking yield numbers. Considering the wet spring, delayed planting and harvesting, the yields have been in most cases better than anticipated. Kudos to the seed companies for developing continually improved hybrids that can withstand intolerant conditions.

The October grilling promotions went over extremely well this fall, with record high numbers of patrons served at all four locations. We were very fortunate that the time period we selected to grill coincided with the break that many producers experienced between finishing the bean harvest and awaiting the corn harvest. Along with sunny and warm days it just couldn't get much better. While grilling at the Cedar Falls location, we were pleased to see many new faces representing patrons from the former Land Mark Ag facility that joined us at Cedar Falls. When all four locations were completed we served over 1100 pork burgers to our patrons. Thanks to all the employees at our locations for helping with food and readying facilities, and especially the staff at the energy center that kept our LP tanks full and our grill functional while we were traveling to each location. This is a fun promotion to sponsor, but it does require help from all our location staffs to have the days run as smoothly as they did this year. Thanks again to all.

In the last edition of our newsletter we had just completed the fiscal year but had not seen audited financial results. The feed division performed well again as we anticipated; total sales were \$10.5 million and operating income was just over \$1 million. Both revenues were benchmark goals that were set five years ago. It was nice to achieve our goals in the time frame we initially set as well. The sales dollars were inflated by record high commodity prices as is to be expected when we experienced corn over \$6.00 and soybeans over \$15.00 per bushel. The operating income reflected record

tonnage from our feed mill, which was near 85,000 tons. Our feed staff did a good job of managing expenses and containing operating costs as much as could be expected with record high diesel fuel. The feed division produced record earnings as a result of those ongoing good efforts. This fall we are again off to another good start, depending upon commodity prices this year, we may not see another \$10 million in sales, but the feed tonnage should be very similar to last year unless we have a major unforeseen setback. We are fortunate to have a very experienced mill, delivery and sales staff, as well as a great customer base that has been very loyal to ECIC. We will continue to try our best to deliver quality products and services to our patrons that they deserve and require to operate in today's economy. Thank you, from all of the feed staff at ECIC, for your continued support of our cooperative as we serve your feed needs. Without you we could not experience the success and growth we have accomplished over the past five years.

With the December edition of our newsletter comes the annual reminder to have your feed orders called in early as possible. We do have a required 24 hour minimum notice for feed deliveries. During the hectic pace of harvest we often are lax in enforcing this policy. However, according to the Jesup staff we are experiencing a higher number than normal requests for same day delivery. Upon the completion of harvest we will work with you on an occasional late order, but if the trend continues we will enforce the same day delivery charge in addition to the normal rates. Please work with our staff to get your orders in early so this becomes a non-event for all. Part of the issues with same day orders this time of year is the inclement weather the winter months bring to Iowa. With shorter daylight hours and slippery or icy winter roads, we simply cannot turn our trucks as fast as we can in the warmer months when the weather is not a factor. The late orders do increase our overtime costs, so the late fee charged will be assessed in an effort to recoup part of that additional overtime expense that they generate.

December is also the season to celebrate and enjoy the Christmas Season and the coming New Year. From all of us at the ECIC feed division we sincerely wish that this Holiday Season brings pleasure and joy to your entire family, that you have opportunity to worship and rejoice in the Christmas Season, that Santa fulfills your wishes, and the New Year brings you opportunities for continued success and happiness.

Have a Merry Christmas and Wonderful New Year!



# Customer Connection

PRE SORTED  
STANDARD MAIL  
U.S. POSTAGE  
**PAID**  
Permit No. 10  
Hudson, IA 50648

In this issue:

- *Manager Reports*
- *New Board after election*
- *Highlights of Annual Meeting*

### 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

12-01-08

	<u>Corn</u>	<u>Beans</u>
<u>Today</u>		
Hudson	3.08	7.93
Jesup	3.12	7.93
La Porte	3.19	7.93
Cedar Falls	3.11	7.93
<u>Month Ago</u>		
Hudson	3.69	8.86
Jesup	3.72	8.86
La Porte	3.82	8.86
Cedar Falls	3.74	8.86

**For all your  
Energy  
Orders  
call  
319-235-6281  
or  
866-404-3242**

**DEDICATED TO SERVICE ... COMMITTED TO SUCCESS**