



Garden City Co-op, Inc.

106 North Sixth Street

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Let Us Know – January 2010

We had a celebration of our cooperative's glorious 90 years at the Annual Meeting held on December 1st. It was exciting to announce that we have a strong financial statement and are able to begin some new grain construction and restart our equity retirement program.

This celebration was made an even bigger deal by coming right after the extremely large fall crop. It was a record by a long way. We continue to try to make changes to better serve the member-owners by focusing on your needs as specifically as we can.

The first example of working for the member is the sale of three facilities to a neighboring Co-op. The facilities in Ransom, Arnold and Utica have been great grain locations for us since their drought broke a couple years ago. The grain from that area all flows into the I-70 market to train loaders, ethanol plants and terminal storage. The rest of our grain flows to WindRiver, ethanol plants and feedlots along Highway 50. The locations at Ransom and Utica also had feedmills and hardware. Those are businesses that we don't have the volume to be successful in. We were faced with the tough decision of shutting them down or continuing to subsidize them. We were also burdened with a grain system that was not the beneficiary of the efficiency of large volume in a market.

As we evaluated that market, we realized that there was a Co-op much better positioned to serve the area. We entered into discussion with Frontier Ag (Goodland, Oakley and Quinter) to see if they could bring the efficiency of their significant grain volume in that market along with their feed and hardware. They are successful in those businesses because they have a significant number of cows and growing cattle in their market. After careful study, both sets of boards agreed that it was a better fit and a win for the members in Ness County and both Co-ops. We are expecting to close on that transaction on December 11th, so by the time you receive this, the sale may be completed.

We also try to hear your comments throughout the year. This past year, we were contacted by a member that was concerned about some of our properties appearance. We invited him into the board room so he could explain his concerns directly to his neighbors that serve his co-op as directors. After his discussion, we are working to address all of his concerns.

We always have a question and answer period at the Annual Meeting. We have difficulty getting people to ask questions as it is a little intimidating to address a large group. We did get a nice comment this year though. In the future, we will send out question forms with the annual meeting notice so that you can ask a question without having to stand before the group.

We have introduced a new feature on our website call "Email your Director". You can click on the link and it will allow you to send an email message directly and confidentially to the Board for their review at the next meeting. No employees have access to the site so you can be as specific as you want without fear of offending anyone.

For 90 years, we have been open for business and want to hear how we can do a better job for you in the future. I am proud to serve a Co-op that tries to listen and then takes fast action to address concerns or pass on atta-boys. Give us a call, write an email, write a letter. We want to hear from you.