

AMERICAN PRIDE CO-OP



Cooperator

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www.americanpridecoop.com

DECEMBER 2010

Manager's Comments

by Gary Morrison

Happy Holidays from the Board of Directors, Management and Staff of American Pride Co-op!

We hope you have a wonderful holiday season with your family and friends, and we hope to see you at the co-op during the holidays.

American Pride Co-op's fiscal year ended September 30, and I'm pleased to report we had another very good year. As a result, American Pride Co-op will pay \$708,268 in patronage refunds to its members. Thirty-seven percent of the refund, \$262,059, will be paid in cash and the remainder, \$446,209, will be added to the equity accounts of members. Checks for the cash portion will be mailed in December.

Please remember to mark your calendars! American Pride Co-op's 75th annual meeting will be held at The Brighton Armory on January 10, 2011. The meal will be served at 6:15 p.m. and the business meeting and entertainment will follow. Our speaker will be Bob Zimmerman, Vice President of Raw Material Supply for CHS Energy. Bob is based in Denver, and is responsible for securing all of the feedstock for the CHS refinery in Laurel, Montana. Bob will discuss proposed legislation that could have significant impact on the cost of energy and agronomy products used by farmers. Bob is an outstanding speaker and his message will be interesting and informative.

Two director elections will be held at the annual meeting. The membership

Continued on page 3.

Robert Zimmerman to Speak at Annual Meeting

Bob Zimmerman, Vice-President of Raw Material Supply for CHS Energy will be the featured speaker at this year's annual meeting. The meeting will be held Monday, January 10, 2011 at The Armory at the Brighton Cultural Center in Brighton. The Armory is located at 300 Strong Street.

Mr. Zimmerman is responsible for securing "feedstock" which includes crude oil, natural gas, and electricity and natural gas liquids for the company's refinery operations which includes its 55,000-barrel per day operation at Laurel, Montana. He is also responsible for the CHS Energy Canada Inc. office in Calgary, Alberta, Canada. He is based in Denver.

Bob holds a bachelor's degree in Earth Science with a Specialization in Geology from Emporia State University. He joined CHS in 1997 as Manager of Crude Oil Trading and has over 15 years of experience with oil and gas exploration and production firms. Mr. Zimmerman has served as a director for Cenex Petroleum Inc. and currently serves as a director on the Country Hedging Inc. Board of Directors.

The meeting will begin with a meal at 6:15 p.m. so be sure to make your reservation by December 28th by calling 303-659-1230 or 1-800-332-6478. There will be a \$1 per reservation charge.

Online Account Access and Bill Pay Available

American Pride Co-op is pleased to let you know that you can now view your account online. Online access and pay bill by check will enable you to receive up-to-date account information including account balance, view invoices or make your payment. It's easy to get started. Simply follow these steps:

- Visit www.americanpridecoop.com Go to the View/Pay location.
- Click online statement & account information "Apply Now".
- Fill out the registration form and click "Done".
- We will review your access request.
- When granted, you will receive an e-mail notification that your account/s is accessible.
- Log on any time with secure, password-protected access.

If you have questions, please contact Glen or Rhonda in Customer Service at 303-659-1230.

Concerned About Potassium Loss?

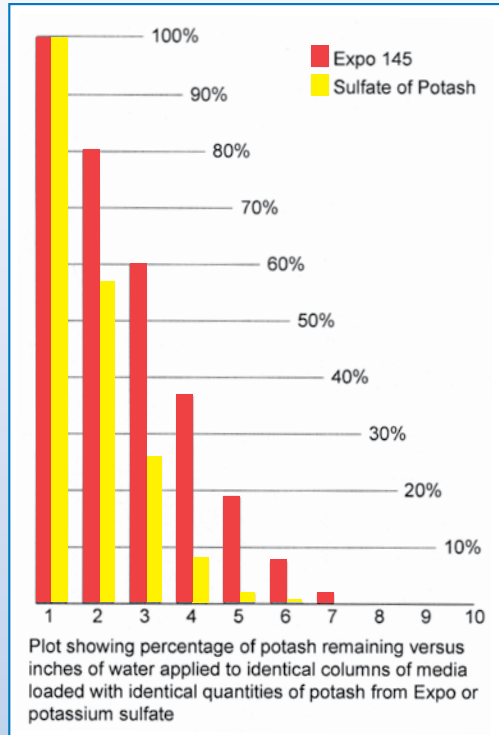
Different types of soils have capabilities of retaining the macro nutrient potassium (K) based on the cation (positively charged ion) exchange capacity and porosity of the soil medium.

As potassium solublizes and becomes a positively charged ion in the soil solution, it has a tendency to leach through the soil profile. Sandy soils with little organic matter have the least nutrient holding capacity - i.e. sand based fields. One way to address this nutrient loss is through the use of a controlled release type of potassium.

Marketed by Lebanon Turf, EXPO (extended release potassium sulfate) gains its slow release characteristics via resinating the sulfate of potash during a chemical reaction with Meth-ex 40 methylene urea. The result is a homogeneous (every granule has the same analysis) fertilizer product with the analysis of 20-0-25 (contains 20% nitrogen and 25% potassium). So, you get both extended release nitrogen and potassium in the same product.

EXPO comes in a greens grade size material and in a granular size for longer turf. The potassium lasts 1½ -2 times longer than conventional sulfate of potash.

Please call our Agronomy Center in Henderson 303-659-3643 or Mead 720-535-4450 if you would like more information.



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EARN AN ADDITIONAL \$25 GIFT CARD!

Get one \$25 gift card for purchasing at least four 10-packs of Cenex branded grease in addition to qualifying Cenex branded lubricants purchases.



A BRAND OF **CHS**

Contact our Petroleum Department at 720-685-1966

Your Co-op Board of Directors . . .

Chris Losh, Chairman
Chip Marks, Vice Chairman
Paul Schlagel, Secretary

Kent Kalcevic
Mike Rademacher
Jeff Rasmussen
Bruce Schlagel

Associate Directors: Brian Howard
Tom Kirkmeyer
Brett Markham
Ag Advisor: Tom McBride

Energy Update December 2010

by Larry Ehrman,
Vice-President of Energy

Well, the saga continues. After writing the last update, the market trended off just as predicted as we entered October and November. This is seasonally predictable. And, that is where my prediction skills ended. Now, we are in the last week of November and the market is rallying with new predictions of \$100 crude oil in the future.

With all the negative news in the world today, you would think all markets would be weaker. Tensions in the Koreas, growth predictions for China, a weakening dollar, and a desire of the funds to create a bull market are all reasons given for the current strengthening. When we look at invento-

ries the story remains much the same with supply continuing to stay at or above the top side of normal – having no trouble staying ahead of slightly higher demand. The economy continues to be the wild card as it looks stronger one day and weaker the next. Barring an extremely cold winter, I still feel we will get some opportunities to buy next year's fuel needs at a reasonable price. It just may not happen until we get closer to spring.

We have experienced some spot outages of number 1 diesel this winter but those problems seem to be correcting themselves. As stated in the last newsletter, the current spread between number 2 and number 1

diesel is over 25 cents per gallon with the probability of it going higher as we get into December and January. The cold flow additive we are using remains by far the most cost effective alternative at 2 cents per gallon.

To help with your lubricant needs, we are running a promotion in conjunction with Cenex that allows you to earn a \$75 gift card for each 100 gallons of lubricants you purchase between November 1, 2010 and January 31, 2011. You can earn an additional \$25 gift card for purchasing a carton of grease along with your oil. See the ad in this newsletter or contact our Petroleum Department at 720-635-1966 for details.

Manager's Comments, continued from page 1.

will elect a director from District 2, which is north of I-76 and east of I-25, and the director-at-large. We look forward to seeing you at the co-op annual meeting!

Thanks to each of you for supporting your co-operative during 2010. We appreciate the opportunity to serve you, and hope to continue to do so in the future.

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- LP Bottle Fill



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General/Corporate Offices

55 West Bromley Lane
Brighton, CO 80601
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Branch Locations:

Henderson, CO
303-659-3643

Mead, CO
303-776-5015

*Holiday Greetings and
Best Wishes for the New Year
from the Board of Directors and
Employees of American Pride Co-op*

CLOSED CHRISTMAS AND NEW YEAR'S DAY

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AMERICAN PRIDE CO-OP



Ag News

Candidates for the Board of Directors

The 75th Annual Meeting of American Pride Co-op will be Monday, January 10, 2011 at the Armory at Brighton Cultural Center located at 300 Strong Street in Brighton. As part of the evening's business, the membership will vote on a proposed change to the Articles and Bylaws of the cooperative and elect a director from District #2 and the Director-at-Large.

Chip Marks, Vice-Chairman of the Board and director from District 2, decided not to run for the Board of Directors this year. Chip served seven years on the Board, from 2002 through 2005 and from 2008 through 2010. The Board of Directors thanks Chip for his support of American Pride Co-op and his service as an Associate Director and Director.

This year's candidates are:

District #2 (East of I-25 and North of I-76)

Brian Howard – As part of the fourth generation to operate the family farm, Brian, alongside his father and brother, raises corn, wheat, barley, alfalfa and grass hay, as well as cattle on approximately 1,500 acres located approximately 7 miles west of Brighton. He has served as an associate director for American Pride Co-op since 2008. Brian is past Vice-President of the Front Range Young Farmers. He graduated from Fort Lupton High School and attended Colorado Northwestern Community College and Northeastern Junior College. Along

with being a full-time farmer, he also is a ditch rider and works for the Community Domestic Water Association in the area.

Tom McBride – For twenty years, Tom has been an ex-officio member of the American Pride Co-op Board of Directors serving as the Agriculture Advisor. In this position, he has helped foster a strong connection between the cooperative and Colorado State University. He has raised livestock – registered Charolais cattle and commercial sheep – and owns a family farm in Ohio where the crops are corn and soybeans.

Tom began his career with Colorado State University in 1981 as the County Agricultural Agent and, in 1985 he became the Adams County Extension Director. He will complete his 30th year with CSU in April 2011. He has been active in numerous clubs and organizations in the community.

Tom and his wife have 2 grown sons.

Director-at-Large

Bruce Schlagel – Bruce, his wife, and their 2 daughters live north of Mead on their farming operation of approximately 1,000 acres. They raise sugar beets, corn, barley and alfalfa. They also have a small cow/calf operation. Bruce currently serves on the American Pride Co-op Board of Directors.

Make your reservation for the meeting today by calling 303-659-1230 or 1-800-332-6478. A \$1 per person reservation fee will be charged. Reservation deadline is January 3, 2010.

Alfalfa Management

Alfalfa is Colorado's most valuable forage crop. It is grown at elevations from 3,400 to 8,500 feet and in a wide variety of soil conditions, making it one of the most well adapted crops in our state. Whether you grow 6 acres or 600 acres, proper management is needed to achieve high forage quality and maximize your per-acre profitability. Once established, good

management practices are necessary to ensure high yields and stand persistence. These practices include control of insects, diseases and weeds, and replacement of nutrients removed in the forage. Alfalfa can achieve high forage quality when managed properly.

Continued on back.

Alfalfa Management, continued from front.

Adequate soil fertility is a major requirement for quality alfalfa production. As a legume, alfalfa fixes enough nitrogen from the air, but other nutrients need to be replenished on an annual basis. In Colorado soils, phosphorus is the most limiting nutrient and needs to be replaced at 10 pounds of phosphorus for every ton of hay produced. Potassium is usually only an issue in sandy soils, a soil test can be taken to determine any potassium deficiencies. Alfalfa also has a relatively high sulfur demand. Historically, we have not applied sulfur to alfalfa in Colorado. But, in recent years, we have seen good results in both tonnage and quality with the addition of 5 pounds of sulfur per ton produced.

Weed control is another important factor in achieving high quality forage. Weeds compete with alfalfa for water and nutrients and decrease forage quality. Effective weed control begins before seeding and continues throughout the life of the stand. In established alfalfa, Velpar and Raptor are the herbicides most often applied. Velpar is applied in the spring before the alfalfa breaks dormancy or before 1 inch of new growth occurs. Velpar provides good control of annual grasses and broadleaves. Raptor is applied after alfalfa breaks dormancy and any time up to 20 days prior to harvest. Raptor controls emerged broadleaf weeds and grasses and provides residual control. Raptor can also be applied between cuttings. An application of Raptor and insecticides can be applied in early April to control weevils and aphids in addition to providing weed control.

Alfalfa weevils are by far the most common insect problem in Colorado. Alfalfa weevil larvae primarily damage the first cutting of alfalfa. However, if after the first cutting the stand is slow to green up, it is an indication that enough larvae survived to treat the stubble. Pinholes in newly opened leaves are the first sign of damage. As the larvae mature, the feeding becomes more aggressive and the leaves attain a very ragged appearance. Aphids are also a problem in Colorado, but to a lesser extent. Aphids suck sap from the plant causing stunting, yellowing, and leaf curling. Aphids also inject toxins that can cause yellowing in the leaf vein. These pests and most others are easily controlled with an application of Lorsban or Warrior. Lorsban gives a quick kill but very little extended protection. Warrior can provide 2 to 3 weeks of residual control to prevent re-infestation. Mixing Warrior and Raptor with fertilizer provides the grower a one-application weed, feed, and insect program.

High quality alfalfa can be achieved with proper management from establishment through the life of the stand. We are ready to help you manage those factors that affect your hay quality and value. Our experienced staff can assess your fields and design a plan to fit your needs. Contact our Agronomy Department at Henderson 303-659-3643 or Mead 970-535-4450 and they will work with you to determine how to achieve the highest quality forage possible.



Financing Available

American Pride Co-op is a resource for your crop production financing. Through our association with John Deere Credit, you could qualify for financing for your fertilizer, chemical, seed and fuel purchases.

Farm Plan™, from John Deere Credit, offers seasonal terms depending on the qualifying programs.

Contact Glen Ross in Customer Service for an application and complete details at 303-659-1230 or 1-800-332-6478.

Notice to Ag Producers:

Pre-Payment Discounts Available

Take advantage of American Pride Co-op's prepayment discounts for your 2011 input needs. Prepay before December 31, 2010 and you will receive the following prepayment discounts:

- **Fertilizer Only** – 5% cash discount AND a 5% prepayment discount off our published price on the product at time of delivery.
- **Ag Chemical Only** – 5% cash discount AND a 2% prepayment discount off our published price of the product at the time of delivery.

We will also accept prepayments on your input needs for petroleum, seed, twine, fencing, and other ag products.

Please call any of our locations for more details on our prepayment services.