

October 2023

Notes from the Post



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Todd Reif, CEO

Opportunities ABOUND

September 30th marked the CBH CO-OP fiscal year end. Thank you for your support of CBH, as it appears to be a good year financially and with long-term project progressions. These cooperative successes benefit our member-owners by way of cash patronage, CBH equity, and assets/products to help you conduct your

personal and business reasons of being a cooperative member. The opportunity to earn patronage and equity in an organization like CBH is unique to cooperatives. A cooperative is an organization owned by its members. The voting members (CBH's are required to be an ag producer) elect the Board of Directors, who represent the interests of those in their trade area in the boardroom. Our Board of Directors and management team work together to make the best decisions for the cooperative and its members. CBH strives to be innovative in the goods and services offered, and continuously explores new opportunities, solutions, and investments on behalf of its owners. As a member you earn patronage throughout the year by way of your purchases. This patronage is paid out by annual cash payment or equity to be paid later. The earned equity is currently on a 10-year revolvment. I am humbled by the fact that I can lead a company that is owned by its patrons, and this ownership is attained by the business they have conducted. There is no capital outlay to buy shares – only through the purchases of goods and services at CBH is ownership established. Our co-op mission statement is to provide quality products and reliable services while giving back to our members. CBH also realizes the need to be competitive in today's marketplace. You will assess the vast array of quality and varying degrees of service with the products you purchase and their value point. My ask is that when considering the value points of quality, service, and price to also consider the value of equity earned by your purchase. Equity is definitely a nest egg for the future and a tremendous differentiation point only available to cooperative members.

A couple of opportunities to consider:

CBH CO-OP is sponsoring (all expenses covered) 2 or 3 couples to a New Leaders event to be held in conjunction with CHS Inc Annual Meeting in early December. I would say that the event provides a flexible way of consuming current topics of the ranch, farm, and cooperative while intertwining some R&R. Feel free to contact Amber Worthington at 307-682-4468 to express interest.

CBH has annual director elections in conjunction with its annual meeting. I have an interesting perspective to share with you from my position as CEO. I find that candidates often wonder if they are qualified or if the commitment is worth it. My observation is that once a patron becomes a board member the tenure is often for multiple terms, though that is not an expectation or requirement. It comes from realizing that decisions are made locally, having created a familiarity with the cooperative and its products/services, and involvement generally comes naturally. A second realization is that being on the board provides early information that brings value for the ranch. Lastly, being a board member does offer time for fun, builds lifelong relationships, and does include financial compensation. We invite you to reach out to your board members with inquiries, to speak to those with firsthand experience. You can find their contact information at cbhcoop.com/BoD. We look forward to hearing from you and thank you for your continued patronage.

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Find further information on the CHS New Leaders Forum
*Dec. 5-6 in Minneapolis, MN

Board Candidate Petition forms are available online
*Nov. 1 - final submission date

Heating season is here, we have LIEAP info and links
*Wyoming (November - May)
*South Dakota (July - April)



Julie Ewalt,
Director of Retail

Retail Growth is on the Rise

Tourism is a tremendous component of our retail business. Our goal is to create destinations for those travelers, making it possible for them to enjoy their downtime on the road. We are always looking to carry new products and implement services to cater to our patrons, and we have a lineup we want to share with you!

Earlier this year the City of Belle Fourche voted in support of opening four Liquor Store Operating Agreements. Having the experience of operating a liquor store in our Gillette Travel Plaza for the past 8 years, we felt the opportunity aligned well with our current retail structure, so back in May we chose to move forward with submitting our business proposal to the City Council. There are still some legal processes that the City needs to go through, but we are elated to be on track to install and operate a liquor store at our Belle Fourche Travel Center.

Having unused space after the Subway contract expired, it was agreed that it was time to find a purpose for that open area. Did you know that there are fewer convenience stores in South Dakota without video lottery casinos than with them? It was certainly news to us as we researched this c-store novelty. The Travel Center in Belle Fourche is also excited to announce that we've begun construction on a video lottery casino.

CBH Retail has also been busy building a loyalty program through Patron Points®. Patron Points is an experienced company, working with many other cooperatives to build similar programs, as well as a CHS® preferred vendor. We are thrilled to roll out this money-saving option, and we're looking to kick off the upcoming launch with fantastic savings at the pump. There will be opportunities to earn free products like pizza, soda, propane bottle exchange, and more. Keep on the lookout for how you can get signed up to earn points and save with CBH's Always Running Rewards at all our c-store locations.

Our CBH Kitchen brand is thriving. Self-checkouts are being utilized. Our Belle Fourche Travel Center began carrying Twisted Apparel's Broncs fanwear. I am very excited about all the new and upcoming projects we have going on in Retail and look forward to updating you with the launch dates as they approach. Thank you all for your continued support for CBH.



Amber Worthington,
Director of Marketing

Communication is Key

I may put together our newsletters and help others complete their features, but it has been years since I've bitten the bullet and written an article myself! I always have things to tell you, but they generally come out as a graphic, social media post, website article, mailings (from postcards

to contracts), pretty much any which way but this. So, please be kind as I wade these waters again.

Your cooperative has a number of noteworthy happenings coming your way, and we're always chomping at the bit for the right moment to share our new goals and progress with you. In fact, we're working behind the scenes right now to get ourselves set up on a new digital communications platform that will let us send you pertinent information in a timely manner. This means that soon we will be asking you to please sign up for the communications that you'd like to receive. You want only Belle Fourche area messages? We can do that. You want only propane related information, such as Even Energy or Winter Pre-Buy? We can do that too. From annual meeting reminders to (eventually) digital newsletters, we will do our best to separate categories and geographical areas, so that you only receive the information that is of interest to you. We understand that we didn't cook up this convenient communications scheme, but we are ready to hop on that bandwagon to better serve you, our patrons.

Most of you are aware that you can access your monthly co-op statement through our website. We will be giving you the option to move this digital as well. You will be able to opt out of paper mailings, and in lieu of an envelope in the mail you would receive a text letting you know that your statement was available to view online. No worries to those of you that prefer the snail mail method and look forward to wielding that letter opener after a trip to the mailbox, you won't be forced into the digital realm – but you'll always be welcome to join.

We do have some important dates that will be coming out soon. Our fiscal year has come to an end, and we are planning for the Annual Meeting, meaning it's time for those interested in running for our Board of Directors to begin the petition process. As always, you'll be able to find any updates regarding the meeting, candidates, petition forms, potential bylaw changes, etc. on our website. There will be an active article that will have all the information that has been published, whether it be links to forms and pages or written word. We will still mail our voting members the notice and ballots, I'm going to estimate those should be in hand mid-December.

I feel like I don't need to say this at this point, but here it goes – Keep an eye on our website for any updates! Thank you for your patronage, and for choosing CBH CO-OP to be the one to keep you always running.



Frank Robbins,
Director of Propane

Supply is Second Only to Safety

As you may remember, last winter arrived a bit late, but when it showed it was cold and stayed until its welcome had worn. Over the years it seems the local meteorologists couldn't tell you if it was raining while they were standing outside, so I've always enjoyed reading the Farmer's Almanac (not all find it exciting), and I see that the prediction is cold with

average snowfall. Regardless of weather patterns and predictions, know that CBH CO-OP is always looking for ways to create peace of mind for our customers.

This past heating season we had several competitors call, asking CBH to service some of their propane customers as the competitor had run out of product. CBH was happy to continue keeping our customers' homes warm, oven cooking, and water heaters providing warm showers with propane due to our sufficient supply. In addition, CBH has obtained more storage tanks to create an even better supply "cushion" in order to be able to provide our services through extended inclement weather situations.

Many of our customer tanks are monitored using cellular service. These monitors do not guarantee that there will never be an issue, but they have certainly helped us to better serve the customer, especially when the customer takes a moment to double check their tank level.

You may have also received a letter asking to help us set up a time to perform a leak test on your propane system. This leak test is not designed to be an inconvenience to you, rather it is all about the safety of you and your family. Regulators have a life span, pipe connections eventually fail, insurance requirements, these are all very good reasons for leak tests, but most important - is safety. Many of us (myself included) check the oil in our cars regularly only to find that the level is just fine. I look at the leak test in the same way—regular leak tests help ensure that there is no cause for concern.

In good times and bad, CBH CO-OP has been, and will be here to provide a level of service that just isn't common everywhere. Our service team is on call 24/7 and can be trusted to provide great service in a timely manner.



Chance Hershey, C.O.O.
Director of Refined Fuels
& Lubricants

Preparing for Colder Weather

Get ready for winter before it hits. Now is the time to incorporate cold-flow additive or start blending #1 diesel into some of your less used equipment and vehicles, as well as storage tanks. If you wait until the fuel has reached its cloud point, which could be as high as 30°F, the effectiveness of the additive or #1 is greatly reduced. CBH CO-OP usually has #1 Diesel at all locations by mid-October. Another tip for cold

weather is to use **premium diesel**. Our Cenex Roadmaster XL® and Ruby Fieldmaster®, whether it's #1 or #2, has a cetane improver to aid cold weather operability. An important feature of our premium fuel is the demulsifier, to keep moisture from entering the fuel system. A storage stabilizer is included in the package to ensure that the fuel will be usable a year later if necessary. Why risk your expensive investment with standard #2 diesel when you can buy the best fuel available? It may cost a little more up front, but using these fuels has a proven track record of saving money because of fewer fuel-related issues, and a more complete burn for better economy. Cenex has offered premium diesel for many decades and is constantly upgrading the formulation to meet the ever-changing diesel technology. (For a complete list of premium fuel benefits, visit cenex.com and choose from the Fuels dropdown menu.)

Our growing lubricants division is delighted to announce that we are purchasing a newer delivery truck. This truck will have a heated cargo area and a dedicated DEF pumping system, to serve the growing number of customers in our Lubricants Department. CBH offers a complete line of Cenex lubricants, both conventional

and full synthetic are available. Like our premium diesel, our lubricants are top-quality products manufactured by Cenex. They are so confident in their products that they run their full synthetic oil in their own fleet of trucks for **50,000 miles** between oil changes.

The Gillette area has seen some changes over the summer. We have a new face joining us as our Wyoming Energy Manager, who will oversee the fuel and propane operations. We look forward to working with him and bringing a new level of customer service to our Wyoming patrons. We have also recently completed an upgrade to our Gillette bulk plant, ensuring fuel quality. The surrounding landscape has changed since the plant was built, and it was necessary to install raised spill buckets to prevent moisture from entering the underground tanks due to rain or snow run-off.

With record cash patronage going back to our customers in 2023, Premium Fuel, Lubricants, and top-quality drivers with many decades of combined experience, there are more reasons than ever to do business with CBH CO-OP. We greatly appreciate your business and look forward to serving you in 2024 and beyond!





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And Value While Giving Back To Our Local Communities.**



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For a detailed article on how to easily register your online payment portal account, please visit the article on our website - cbhcoop.com/registration. We ask that you please call your local office with any updated contact information.

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Brandon Hofer,
Director of Agriculture

Let's Plan for 2024

As our 2023 production year begins its conclusion, I always like to look back and reflect on the pros and cons of the year. The moisture that was spread across the region gave much needed hope to farmers and ranchers in our area. The moisture came with its own sets of challenges for many, from getting quality hay put up to increased disease

pressures. Not very often do we have to look at replants from flooded fields in Western SD, but we had a few this year. All in all, 2023 was an exceptional year for anybody in agriculture.

Looking forward to 2024, we have some exciting opportunities for the co-op and its members. 307 Processing will be coming online shortly, and CBH has put together a program to assist growers in producing a high oil sunflower for oil production. The CBH Certified Acre program will help producers to build a fertility, chemical and seed program to obtain the maximum oil content out of the crop. We will also offer special financing through WinField United with rates as low as 4.99%. Being enrolled in this program will also provide the grower with a premium price on flowers producing over 40% oil. This program will be available for new and existing sunflower customers and be eligible for co-op patronage payout as well.

Switching gears to feed, the green grass has been a welcomed sight for most of the summer. With the green starting to fade and the cooler nights on the horizon, calf creep season is in full swing. Many studies have shown that five pounds of calf creep yields one pound of calf gain. That being said, calf creep at \$0.22/lb would cost \$1.10 - and with calf prices of \$2.50/lb, would provide a nice ROI.

Cake prices softened throughout the month of August but have started to firm up into September. With cake bookings starting to take place, we don't usually see large drops in pricing from our suppliers once the market begins to fill up. We have a large variety of grain and hay-based cakes this year. We have also added a new face to the feed department, Tom Heilman joins CBH after 25 years with Hubbard® Feeds. Tom is no stranger to our area or the products that we offer. We are very excited to have him join our sales force along with our location managers: Mackenzie Olson, Belle Fourche; Dan Stearns, Gillette; Jed Hall, Union Center; as well as Jevon Grace, from Payback Nutrition.

Please never hesitate to reach out to your nearest location with questions or for assistance. We're always here to help and to keep you always running.