

Notes from the Post



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COMMUNITY PRIDE & SUPPORT



by **Nick Alderson, CEO**

Spring is here, and we've all been very grateful for the moisture that has come our way. We have been moving forward with interior updates at our Belle Fourche Travel Center, a new touchless car wash has been installed at our Sturgis c-store, we made it through our first winter season out of the new Gillette Elevator office, and we're looking forward to a busy tourist season. This coming season will bring us events such as the Black Hills Roundup (Belle Fourche), National High School Finals Rodeo (Gillette), county fairs and so much more across our footprint, as well as the opportunity for us to sponsor these events and support our communities.

Through our partnership with CHS® and Cenex® (the energy brand of CHS), CBH Cooperative has been able to give back over \$40,000 to our communities in the past couple of years. In September of 2020 Edible Prairie Project, a non-profit out of Gillette, WY, was awarded a \$5,000 grant through the Cenex Hometown Pride initiative. The following spring, we received a matching grant through the CHS Seeds for Stewardship program, that provided \$8,000 to the Rural Meade Ambulance Service for EMT training and certification. That same program made it possible for CBH to donate \$5,000 to the building of Enning Fire Department's new fire hall for a much-needed upgrade. Most recently CBH proudly submitted the H&M Youth Rodeo Series, a non-profit located in rural Meade County, for an opportunity to be considered for the revamped Cenex Hometown Pride grant.

CBH Cooperative and Cenex®, the energy brand of CHS, have named H&M Youth Rodeo Series the recipient of a \$25,000 Hometown Pride grant. H&M was nominated by CBH Co-op for the program's unwavering commitment to serving youth across the state and giving its community a place to gather throughout the season.

CBH Co-op and Cenex®, the energy brand of CHS, awarded H&M Youth Rodeo Series a \$25,000 Hometown Pride grant to support the program's commitment to serving local youth and fueling community connection.

Since 2008, the H&M Youth Rodeo Series has helped engrain both the technical aspects of the sport of rodeo — riding and roping — as well as life lessons of responsibility, confidence and perseverance. Since its humble beginnings, directors Billy and Katie Martin, Eric and Chasity Jones, and countless volunteers have been dedicated to keeping this Western tradition alive. They have grown the program from six to nearly 100 participants in the area, helping many athletes realize their potential —some even competing at the collegiate and professional ranks. Rodeo is often one of the few outlets for youth in the area to pursue college scholarships as the opportunities for other organized sports are limited.

"We are beyond grateful that CBH Co-op and Cenex are helping us build a lasting legacy," said the Martins, who were thrilled to hear the news. "Upgrades to our arena will impact generations to come and, even though we're a small community, there's none more passionate."

The grant will be used to update H&M Arena, where the series is held. Renovations will include new fencing and terrain, a state-of-the-art sound system, new bleachers and a picnic pavilion to accommodate regular crowds of 300-plus family



H&M Youth Rodeo Series

and friends cheering on the competitors.

"These updates will be crucial to the current and future athletes of H&M," said Nick Alderson, CEO of CBH Co-op. "We are thankful to be a partner with Cenex and be able to provide this support that deeply affects this community."

"The Cenex brand is committed to supporting and celebrating what makes local

communities across America special," said Mimi Berlin, marketing and communications expert at CHS. "We are proud of our Cenex branded network of dealers, like CBH Co-op, who are actively involved in supporting local organizations, traditions and change-makers in their community."

By the end of this year, local organizations across the Cenex footprint will have received a total of \$400,000 in Hometown Pride grants since the program's inception in 2019. These grants support the thriving communities that so many call home. The Hometown Pride initiative gives Cenex branded dealers, retailers and distributors the opportunity to nominate worthy organizations in their hometown for their philanthropic and community-building efforts.

If you'd like to learn more about the Cenex giveback story, follow @CenexStores on Facebook and visit www.Cenex.com/giving-back/ community.



UPDATES & UPGRADES



by **Todd Reif,**
Director of Ag

It is our pleasure to announce that CBH Co-op and 307 Processing have reached a marketing and logistics agreement. 307 Processing, located in Gillette, is owned and operated by Joel and Curtis Hjorth, who expect to have products available late in the third quarter of 2022. Their plant equipment is currently being upgraded and will be able to manufacture virtually all oilseed grains and will focus on sunflowers, flax, and canola. CBH worked with 307

Processing upon its startup with both parties active in marketing and we look forward to continuing the partnership.

The manufacturing process creates two basic products – meal and oil. The meal makes excellent cattle feed, as it is high in protein and can be fed in meal form; found most in a total mixed ration manner, it can also be manufactured into a pellet or cake product. Whereas oil finds its way into 3 major categories e.g., animal feed, fuel, and for human consumption. It is an exciting time for 307 Processing to be (re)starting up with the new equipment to attain their best possible production. CBH Co-op is just as excited, as our patrons will have a direct source of high-quality feed made from local products.

It's a little early to talk about cake for next year so I will spare you the pricing/contract talk. However, we do need to speak on two cake-related products: monitors and cake bin tops. We have experimented with the same monitors that the co-op uses to successfully measure refined fuels and propane. Our monitor application with dry feed is unlike that of obtaining fluid levels, but we were able to obtain a sensor that does a decent job of assessing – our findings are that monitor measurements are often within 10% of actual. The monitors put an accurate set of eyes on the bins, and readings are sent to the rancher and cooperative daily. It is impressive how a simple monitor can make a supply chain run smoother.

For all customers that book at least 3 loads of cake in the feeding season, we will be offering this monitor at no cost to you. We want to reassure you that this is not mandatory, but an offer to the

rancher. It benefits both co-op and rancher when we can adjust delivery schedules to transfer all product in the bin or circumvent a weather event. As we are installing monitors, we will also make basic repairs to the opening of bin tops, mainly we are looking to make the top open/close feature functional from the ground. We ran into several safety occurrences that will be addressed this summer as we are installing monitors. CBH will do the light repairs at our expense, though only at the time of installation.

We sincerely appreciate the ranchers that worked with us as we put our first paddle trailer in operation. It has made for easy handling and better-quality cake. We got into the program after the first round of deliveries and felt the impact of fewer cow numbers. Once up and running, integrating cake delivery with the sales/service, we were pleased to find that we were also able to enhance our competitiveness. It is our plan to continue local paddle trailer delivery, as it smoothed out the logistics and sped up the wait time over that of waiting on a third party.

Last, but certainly not least, we would like to introduce the manager of our Gillette Elevator, Tylor Harper. Tylor has been with the co-op for a couple of years, so some of you may recognize him. If you have a chance, please stop in for a handshake and a visit!



VOLATILE FUEL MARKET



by *Chance Hershey,*
Director of Refined Fuels
and Lubricants

What a crazy 2022 it's been in the fuel world! Whoever thought that we could go from negative numbers on crude oil to \$110.00 in just a couple years. Not since 2008 has America and the world endured energy prices like we are now. The high cost of fuel is adding to the record-breaking inflation that we all must deal with. Fuel surcharges are up on everything – groceries, building materials, household supplies, and yes, even fuel. We are seeing fuel

surcharges on our gas and diesel freight at the rate of 45 -50 %, adding to the already high prices. Fuel prices have been rising and dropping up to a twenty-cent variance per day, making it hard to price products. On top of that, the cost of parts for trucks and everything else, have skyrocketed and are difficult to acquire. We had one fuel truck in the shop for 7 months waiting for parts and have another in the shop now that's been sitting for a month. Trucks themselves are also hard to come by, same as general passenger automobiles. Wait times are long and selection is limited. CBH has 2 fuel trucks on order and will receive a new Kenworth 5800-gallon fuel truck for the Belle Fourche location sometime this summer, and because of the supply issues, our Board of Directors approved a 6000-gallon truck for 2023 earlier than our normal budget process allows. The 5800-gallon truck is replacing a 3500-gallon truck driven by Bryce Wager. It should make life a lot easier for Bryce!

Despite all the gloom and doom, CBH Co-op is doing very well with bulk fuel sales. Six months into our fiscal year sales and gallons are up in both our Wyoming and South Dakota divisions. We did see a lot of panic-buying in February and March (justified



for sure), but the gallons are still up in April with record-breaking construction in the Black Hills. Profitability is trending up as well. More and more customers are looking for premium diesel fuel for the newer Tier 4 engines. There is no better option than Cenex® Roadmaster XL® and Ruby Fieldmaster® premium diesel fuels. With the high prices on diesel fuel, the 3 – 5% mileage gain that our customers experience far outweighs the modest price difference, and fewer engine repairs is a huge bonus as well. We do our best to provide the very best service to our customers no matter how much we grow. How are we doing that? We hire and retain top notch drivers and are utilizing technology in our trucks and on customer tanks.

CBH Co-op has recently updated our bulk plant/station tanks at the Belle Fourche South location and our Belle Fourche highway 212 plant. We are currently working on obtaining permits for our Sundance bulk plant for a major upgrade at that location. Growth is important for the co-op, but we also need to take care of and update our existing assets.

I want to extend a huge thank you to all our customers for their continued support of their co-op. Hang in there, we'll weather this storm like we do with everything else that's thrown at us! They make us tough in the Midwest!

MEET OUR NEW DIRECTOR



by *Frank Robbins,*
Director of Propane

Many of you reading this may already know me, and I wanted to take this opportunity to introduce myself to those that may not. I have been the manager of the Rapid City propane plant since December of 2019. In addition to my location managerial responsibilities, I have also been the lead in the integration of EnergyForce, OptimizerPlus and monitor technology, which are the software components behind our propane delivery business

for the entire cooperative.

Dan Davis, our current Director of Propane, will be retiring at the end of September. I am proud to have been offered (and accepted) the position of the Director of Propane for CBH CO-OP. Dan is one of the most knowledgeable people in the propane industry, and I have taken advantage of that knowledge to better prepare myself for the director role.

The political climate, as well as covid-19, has created plenty of uncertainty in the world for the last couple years, and the propane industry is no exception. We did not see quite the inflation as that of refined fuels, but pricing has become quite a challenge.



Last year our truck prices rose to 80 cents higher than our winter contract price, which strengthens my plea for folks to take advantage of the winter contract pricing we will be offering later this summer. Another program we have available is our Even Energy Payment Plan. This program offers even monthly payments based on your prior consumption, rather than a large invoice each time a tank is filled. You can find additional EEPP program/contact information on the back page. We encourage you to call with questions, as these are two separate programs, that cannot be run congruently.

Finally, don't miss out on getting your tank filled during the summer months of June-August, as prices are generally the most pocket-friendly during this time, being that supply is typically more available.

Though that price is yet to be set, it is always the better bet towards stretching one's heating dollar.



expires 9/30/22

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In the last 6 months of operation, we have been excited to see the community as welcoming and appreciative as they are that we re-opened Mr. Tire! Everyone is so nice, and it makes it a pleasure to be here helping the community with their tire and automotive needs. We look forward to being here and hopefully can be helpful to all that we have the pleasure of meeting.

~ Erica & Johnny

Even Energy Payment Plan Info

Even monthly payments based on your past propane consumption. Sign up runs

May 1-27, 2022

Wyoming: (307) 682-4468
Sharon or Dawn

South Dakota: (605) 720-2946
Press 1 for Accounts Receivable
Laraya or Amanda