

Notes from the Post



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Todd Reif, CEO

Payouts and Partnership

As spring comes to a close, CBH CO-OP is pleased to roll into the busy season at our convenience stores on the heels of events such as Black Hills Roundup, the 75th annual National High School Finals Rodeo®, Sturgis Motorcycle Rally™, as well as state and numerous county fairs. We look forward to seeing you all out and about at sponsored events, supporting our communities.

As you know, the CBH Board of Directors meets monthly, and they work together to help forge the best future for your cooperative. Important discussions and decisions happen in the boardroom, such as patronage payouts, equity retirements, mergers and potential growth, among many other topics. We are pleased to share with you some of our latest accomplishments. Our Accounting Department notes that CBH has received a generous regional equity payout of its own. The funds received will be allocated toward the retirement of CBH members' stocks, up to \$2.2M being returned to your own pockets. What this means for our members, is that an estimated 5000 of you have the potential to receive a check this summer. We would appreciate the chance to grill up a nice lunch, distribute checks, and shake your hand if your calendar permits. These Customer Appreciation Days are being planned around local events, so keep an eye out for your community's date/time/location. We will update our Facebook page and website (cbhcoop.com) as plans are set.

CBH Cooperative and 307 Processing LCC recently announced plans to enter a 50/50 LLC oilseed processing plant. The plant processing capabilities range from regionally grown sunflowers, flax, and canola as well as other oilseed grains. 307 Processing began operations in 2020 when Joel and Curtis Hjorth purchased pressing equipment and installed it in their facility south of Gillette, Wyoming and started their business, 307 Processing. CBH CO-OP became involved by agreeing to market meal and oil products created from the plant.

It was a good fit for both companies and proved to be a good fit for the patrons of the co-op and ranchers of Wyoming and South Dakota. Joel and Curtis elected to install new equipment that yielded better results in separating the meal and oil. Long story short, the equipment was expensive but had payback opportunities, thus CBH and 307 Processing are entering into a 50/50 ownership of 307 Processing. Joint ownership allows the plant to attain better assets, which expands our presence in the marketplace. We will be able to maximize what both entities do best with our talents for the benefit of 307 Processing and its respective stakeholders.

In a conversation with Joel, he stated that the final shipment of the equipment arrived the first week of June with the intended startup date landing in the first half of July. Joel states, "Curtis and I have seen the firsthand demand and financial rewards of processing oilseed. We decided to move forward with more efficient equipment, but we needed a partner to take this next step. CBH was a favorable option for us as joint partners."

"It was interesting how we started in this venture as separate entities that worked well together – 307 being well-versed in mechanical processes and creating products, and CBH with marketing ability and deep consumer/owner connections. The benefits will be far reaching at CBH with a high number of oilseed farming production opportunities stimulated from the local plant. There will also be new feedstuffs available that are excellent for fulfilling nutritional needs in animal agriculture. No doubt there will be some bumps along the way but familiarity we have with each other and the demand in the market are a solid base most "startup" companies would consider risks where we consider them strengths. What is good for the producer is good for CBH, and by joining in at the ownership level the patrons will join in on expanded profit opportunities." – Todd Reif

We are thankful for your support of CBH CO-OP, and we look forward to continuing to serve you and your communities, keeping you always running.



by Julie Ewalt,
Director of Retail

Decades of Experience Leading the Way

You may very well recognize the face of our Director of Retail. Julie Ewalt has been around the co-op for nearly 20 years. Julie accredits her former manager and mentor, Darla Hershey, when it comes to her success and ample knowledge

of retail. Beginning her cooperative career as a part-time cashier at the Sturgis c-store under Darla, she worked her way to store manager, eventually took on managing the Belle Fourche Travel Center, and most recently settled into her director role. Feeling as though she grew up in the retail world, Julie is right at home engaging with patrons and advocating for the retail staff; motivating growth, and success.

Not only does she take time to visit 5 retail locations throughout 2 states each week, but she is also a busy mom of three active kids. In her spare time, she and her fiancé enjoy attending and supporting the kids' events and gardening. In her own words, "I am very excited to lead the CBH Retail staff into many successful years to come."



Putting Plans into Action

The Retail Department rang in the month of April with a substantial remodel at our Belle Fourche Travel Center. The cabinetry was in need of being replaced, though we were able to reuse our existing countertops. It all tied together seamlessly and really freshened up the appearance. One of the cabinet islands has been replaced with an open-air cooler that is kept stocked with a variety of on-the-go meal options. We also took the opportunity to face our cashier island toward the interior of the store, creating a more inviting flow of traffic and alleviating congestion.

Quite noteworthy is the installation of two card-payment only self-checkouts. This is a first for CBH CO-OP, but the objective is to mitigate the flow of customers through the check-out process. This option is intended more for those out-of-town customers, as our members are unable to earn patronage on self-checkout purchases at this time. This addition is not to replace jobs, but rather better direct where labor can be used within the store.

CBH is working behind the scenes to create our own CBH branded kitchen and menu to bring you fresh, new meal options at our Gillette Travel Plaza and Belle Fourche Travel Center. We're excited as we put plans into action and jump feet first into our expanded venture.

There are a lot of moving parts in the Retail Department at CBH, from new product lines to advancements in technology, and we're eager to find where they all fit into our future. I want to thank all of you for your continued support in making CBH CO-OP what it is today and what it continues to grow into.





Frank Robbins,
Director of Propane

Storage is King

Winter must have finally looked at the calendar and decided to hang up its hat. After several years of mild-ish winters, we endured one of the more typical long and cold variety. Spring marks the time when a couple important mailings go out from the propane department at your co-op. Firstly, the "duty-to-warn"

packets, which include important safety information on the use of propane, and what you should do in case of gas leaks and other emergency situations. Secondly, the Even Energy letters and contracts were sent out and patrons have signed up for the monthly payment plans. Later this summer (early August) you will see the winter prepaid contracts. Those contracts will be due by September 15th, so please be sure to get them returned as soon as you can.

You may know that back in December our competitors in the area ran out of propane and were unable deliver to their customers during that first, rough

cold snap of the heating season. CBH was able to make it work and kept our customers going throughout the heating season, having the storage needed to supply your homes and businesses. Recently the co-op had the opportunity to purchase four additional bulk tanks, expanding our storage by 84,000 gallons. Knowing that these bulk tanks could only increase the overall value of our Propane Department, we couldn't let this chance pass us by. Plans are in the works to strategically place them throughout our geography, creating ideal access and allowing us to be sure we have sufficient supply when the roads are closed, and the demand is high. We are near our goal of having the storage to supply our patrons for an entire month during peak demand, which is far beyond the industry average.

CBH CO-OP strives to provide exceptional service that will minimize any troubles with your propane system. Should an issue arise, we will be there to correct the issue in a timely manner. We offer our sincere gratitude to all our loyal patrons and look forward to serving you for years to come.

Monitoring the Situation



Chance Hershey,
*Director of Refined Fuels
& Lubricants, COO*

It's been an exciting spring for CBH CO-OP Refined Fuels Department. We recently procured a new Kenworth T880, 6000-gallon fuel truck in Belle Fourche. Quite an upgrade from the aged 3500-gallon truck that Bryce operated for many years. We look forward to a great summer with the rain we received and the record-breaking construction. Like it or not, there's a lot of activity in our area right now.

That extra capacity will help with less trips back to the bulk plant and more time filling tanks.

CBH has put in a lot of work on our bulk plants as well. In Sundance we completed some major upgrades, including the conversion from gravity loading to pumps and meters. We have monitor installations planned in Hulett to make ordering fuel much simpler. We have also replaced tank bottoms and lines on most of our bulk plant tanks in Belle Fourche, and in Gillette we have a bulk plant upgrade planned for this month.

As for the Union Center location, we are installing our Energy-Force® delivery program and hardware in the fuel truck that services the area. We are also expanding our Otodata® tank monitor installations to the Union Center area, increasing our level of customer service to our patrons. We have a new operator in Union Center to introduce - Jed Hall, born and raised in Enning, SD, who recently accepted the position of fuel delivery person. Jed has an impressive education, but decided to move back to the area so that he could assist with the family ranching operation. I'd like to also extend a sincere thank you to Norm Hanzlik for the years he dedicated to the fuel truck and our customers. You can still



visit Norm at CBH, as he is still at the station.

We are in the planning stages for a new Lubricants delivery truck. CBH is certainly growing in that department and will soon need better equipment to facilitate that growth. As the department expands in the Gillette area, we are looking to bring an additional truck to these parts as well.

More and more it seems that our customers are finding value in the premium diesel fuel that we offer. It is almost a necessity to run some sort of additive with the newer engines. Cenex Ruby Fieldmaster® and Roadmaster XL® offer the most complete package out there and they come pre-blended, which has many advantages. CBH would also like to note that prices have really jumped on steel products in recent years, and we still offer our no-interest fuel tank purchase program to assist your need for a tank or a tank upgrade.

I really want to offer a big thank you to all our loyal customers. CBH CO-OP has grown considerably in recent years, which has made us stronger, but we haven't lost our personal touch. If you need fuel, lubricants, or tanks, please feel free to stop in at our Sturgis office or give me a call. 605-431-3757 or chershey@cbhcoop.com



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Brandon Hofer,
Director of Agriculture

Proactive Pest Management

As the spring rush starts to wind down, it certainly doesn't mean the work for farmers and ranchers decreases. With plentiful amounts of moisture in May, many of our hay and grain crops are off to a great start. We have certainly seen the switch to warm season crops in the past week. With the moisture that we are seeing, it is

a great opportunity to get a start on millets, sorghums, and sunflowers. We have seen tighter supplies of millets this year than we have in years past, so keep that in mind when making crop selections. Full season cover crops are also growing in popularity each year, we see the most potential out of the cover crops when we are able to get them in the ground in June and early July. Once we get past this timeframe our benefits, whether it be grazing or soil health, start to decrease. We carry many premix cover crop options to fit all types of needs whether it be haying, grazing, or just soil health. In past years we have seen an increase of use in stronger herbicides with longer residuals to control stubborn weeds. I have seen this be an issue with cover crops the following year, make sure you know the herbicides that are being used and the rotation restrictions that are required.

Not that this is new news, but warmer weather brings more pest problems. With the increased moisture in May,

it warrants the topic of fly control and some of the different options available. The key to good fly control is using multiple modes and products to control the insects. The use of Altosid® IGR (through feed) controls horn flies and face flies by breaking the cycle. Female flies only leave the host (cow/ calf/bull/heifer) to lay their eggs in freshly deposited cow manure. Altosid® IGR passes through the digestive system into the manure, where it breaks the life cycle by keeping the horn fly larvae from developing. This is not a one-time treatment, for Altosid to be effective it needs to be started early and available to livestock throughout the summer. Altosid has been around for many years and has proven itself in fly control. It is available in loose mineral and lick barrels. Another option that has taken off in recent years is salt with garlic. This is available in both loose and block form. It is important to remember this mode of action is not fly control and does not replace fly control such as Altosid® IGR. As the cow/calf consumes the garlic, the garlic will build in the blood system and deter the fly. Using garlic is a fly repellant. Using both tools together will help increase the success rate of reducing/eliminating fly pressure. We have garlic salt and IGR tubs and mineral at all of the CBH Ag locations, so feel free to come in for a visit to see what we can do to help.

I want to close by thanking all of our farmers and ranchers for another productive spring and look forward to kicking off a busy haying and spraying season.