

Happy Holidays!

The Source

A publication of
United Plains Ag and CHS
Fall 2013

Precision ag provides stability

By Lloyd Cersovsky,
Precision Ag Specialist

Precision ag. What is it, really? At the day's end, when your auto-steer tractor is shut down and the high-tech field computers have stopped communicating; when the seed is properly placed and the fertilizer is accurately applied, when you catch up on the evening news while eating supper; it is then that precision agriculture is understood.

Precision ag is about providing stability for your family and operation, feeding an ever-growing population, optimizing inputs while maximizing outputs, and making better, more informed management decisions. CHS and United Plains Ag are excited to announce the introduction of CHS YieldPoint™ Complete precision ag services, focused on helping growers advance yields and increase return on investment. YieldPoint Complete is a trusted partnership between the precision ag specialist, agronomy team, and you. After all, as a cooperative, your success is directly linked to our success.

Partnering with CHS and United Plains Ag, YieldPoint Complete gives you unparalleled advantages. Those include trusted advisors and prime data, prescriptions based on local insights and sound agronomy, seed selection expertise including regional hybrid/variety results, access to pooled information for a larger, more accurate database, industry-leading local data on new products, the ability to manage risk with more accurate information, and in-depth reports on farm/field/operational failures and success.

YieldPoint Complete is a precision ag management program designed to maximize your return on investment. YieldPoint Complete includes field mapping, satellite imagery, data analysis, soil sampling, tissue sampling, VRT prescription generation, VRT application, as-applied map generation, and a year-end report. CHS/UPA will work with you step by step to ensure your return on investment is maximized on every acre.

Continued on Page 4



Precision ag is becoming more important in agriculture every day. CHS and United Plains Ag are committed to providing producers with the latest technology, including field mapping and VRT application, to provide stability while optimizing inputs and maximizing outputs.

Looking forward to exciting changes in 2014

CHS and United Plains Ag has wrapped up another successful fiscal year with substantial savings that will be passed on to you, our member-owners. As your new managing director, I am excited to see us post such encouraging numbers, even with the drought that plagued us here in western Kansas and eastern Colorado.

CHS Quinter saw local savings of \$3.2 million and United Plains Ag reached savings of \$2.9 million. These numbers are a testimony not only to the hard work and dedication of our employees, but also to you, our patrons, who partner with us in your operations. We thank you for the confidence and trust you have placed in us and look forward to working closely with you next year as well.

As we enter 2014, we have many projects and opportunities to look forward to. On page one and five, you learned more about our exciting precision ag department and the new technology we are introducing there. Lloyd Cersovsky has a passion for this industry and is enthusiastic about working with producers to make their operations as efficient and profitable as possible.

We are also excited to work with local students to jump start their careers in agriculture through our two-year agriculture and scholarship program. Our future depends on today's youth and we want to start introducing them to the opportunities available today and tomorrow.

Throughout this issue, you will meet many of the employees who make this company successful. They are focused on great customer service and we are proud of all they do, in the company and in the community.

We are introducing new programs in our energy department and are building new facilities in agronomy to create efficiencies that will change how we handle fertilizer in western Kansas. CHS Quinter was also proud to bring home the Kansas Environmental Stewardship award for 2013. These are exciting times at CHS and United Plains Ag.

Be safe this winter and enjoy the holidays. See you in 2014!



*Jeff
Kahle
Managing
Director*

Start your ag career here

CHS Quinter and United Plains Ag are looking for students with:

- ◇ A desire to work
- ◇ A desire to stay in their local communities
- ◇ A strong work ethic
- ◇ Willingness to learn
- ◇ People skills with an interest in building relationships
- ◇ Strong communication skills

We have designed a two-year agriculture program to provide educational support and hands-on learning experiences. The multi-year program begins with a summer job with CHS Quinter or United Plains Ag, a \$2,000 per semester scholarship, and participation in the CHS New Leaders Forum. It concludes with an internship through CHS Quinter or United Plains Ag. Upon successful completion of the internship and maintenance of the required 2.8 GPA, the candidate may be offered a fulltime position and a \$2,000 per semester scholarship for the second year of school. After completion of degree requirements, the candidate would begin fulltime employment.

The application deadline is April 1, 2014, when the Board of Directors may select two candidates to be accepted into Phase 1 of the program.

Interested students may apply online at www.UnitedPlainsAg.com. More detailed questions about the program may be directed to Jeff Kahle at 785.852.4241 or Jeff.Kahle@chsinc.com.



2013: another successful year



Joe Horton
Controller

Despite the extreme drought that plagued western Kansas, your two local cooperatives closed out very successful fiscal years on Aug. 31, 2013. The CHS Quinter group, with locations in Burlington, Colo., and the Kansas locations of Brewster, Colby, Quinter, and Selden, had local savings of \$3,217,178 on fertilizer sales of \$19,586,110, chemical sales of \$13,526,182, and seed sales of \$5,856,392. The group also had \$1,925,993 in service income.

United Plains Ag had local savings of \$2,924,543 on grain sales of 13,111,216 units (Bu/Cwt) totaling \$104,884,587, sales of feed products of \$3,465,342, fertilizer sales of \$9,858,475, chemical sales of \$4,643,310, seed sales of \$1,258,584 and energy product sales of \$7,069,435. Service income was \$1,624,313 and income from Cornerstone Ag LLC and Colorado Retail Venture Services LLC combined for \$716,975.

Besides sharing in these local savings, the member-owners will participate in the \$1,185,786 patronage paid to these two cooperatives by regional cooperatives with which they do business.

The third patronage stream shared by the member-owners of CHS Quinter and United Plains Ag, which is unique from other cooperatives in the area, is the direct sharing of savings generated by CHS Inc. That savings is paid directly to the member-owners rather than being diluted through the local cooperative.

The CHS Inc. policy is to redeem all equity held by member/owners who are 70 years old and to pay 100% cash patronage after the initial redemption.

Southern grain division focused on customers

This month, we wanted to introduce you to United Plains Ag's southern grain division.

In the southern grain division, there are several elevators: Tribune, Selkirk, Horace and Kanco.

Dirk Schneider oversees the southern grain division. He is also location manager at Tribune. He is responsible for running the locations as well as buying off-farm grain. What makes the southern grain division work is key people in position to help the facilities run smoothly.

Schneider feels that having a strong team creates success in their area.

"I believe that all our employees are important for supporting the customers and the community," he said. "We focus on taking care of all of the people in our area. What is important to us is what we can do for others."

Tribune: Kathleen Dowling is in charge of bookkeeping at Tribune. Her 12 ½ years of experience prove she can get the job done. Edgar Yanez takes care of the elevators in Tribune. Wheat, corn and milo is taken at these locations.

Selkirk: Selkirk is run by location manager Karen Reynolds. Her philosophy is that farmers' and producers' needs come first. "I really like being here and I hope that shows to our customers," she said. "I want them to know I care about them and want them

to feel they are well taken care of." Chris Rutherford runs the elevator at Selkirk where United Plains Ag takes in wheat, corn and milo.

Horace: Andy Albers runs the seasonal facility at Horace, which takes millet, soybeans, milo, sunflowers, and wheat.

Kanco: Dean Blakely runs the other seasonal elevator at Kanco, which he normally fills every year taking in wheat and milo.

Truck drivers add another layer of support to southern grain operations. Macrino Yanez and Eugene Woods work hard every day delivering grain, and they do an excellent job.

All employees are devoted to community involvement. Southern division employees have volunteered for projects including school fundraisers, Ag Safety Day, the local food pantry, Harvest for Hunger, and Tanks of Thanks.

"If we take good care of the customers and the community, then everything else will fall into place," Schneider said. Each and every employee is encouraged to work all community service events in order to show support for the school and community. The employees seem to enjoy that community involvement and it provides a great service to all involved.



Southern Grain Division Employees, l. to r., (above): Front: Dirk Schneider, Andy Albers. Back: Eugene Woods, Dean Blakely, Macrino Yanez, Edgar Yanez, Kathleen Dowling. (below): Selkirk - Karen Reynolds and Chris Rutherford.



Agronomy expansion leads into the new year



Dale Hazuka
Agronomy Manager

Our agronomy division is continually expanding as we grow to meet our producers' needs.

Our newest project at Sharon Springs will bring a 26,500-ton dry fertilizer shed to the area. With this new facility, we will be able to unload unit trains of fertilizer. This will be a big advantage to all of United Plains Ag and CHS Quinter's trade territory and will be a unique facility in western Kansas and eastern Colorado. See progress at right.

Sharon Springs dry shed

The main reason we are adding this dry shed in Sharon Springs is that we have outgrown our current dry shed facility there. We needed more storage and more speed because today's producers need facilities that can fill semis, not the smaller trucks our current facilities were once built for. This new facility will also help as we grow our precision ag business.

With state-of-the-art technology and an automated Kahler tracking and loading system, the new dry shed will bring needed speed and accuracy to our agronomy division. It will also bring ease and convenience to the producer with computerized blending.

We have also purchased four new semi tender trucks to support this facility. And we are planning on hiring approximately four new employees to help drive the trucks. The new fertilizer shed will have a full-time plant controller to oversee the facility.

Plans are to have the dry shed running with some capabilities by April and fully operational by June. Right now, contractors are pouring concrete for the 200-foot long tunnel leading from the rail tracks to the facility.

Brewster liquid plant

Next spring, work will begin on a small liquid blending plant at Brewster. The plant will house three 12,000-gallon tanks to provide customers with

customized blends at the Brewster location. This upgrade is needed to better service producers in that area with timely, customizable product.

Be alert

As we enter winter, we are looking at one of the best-looking wheat crops we have had in this area for several years. Make sure to watch your wheat during the winter for fertility and weed issues. Resistant kochia weeds are creating problems and the best time to treat resistant kochia is now. If you treat now, you will see less problems in 2015 when you rotate to a fall crop.

As you analyze your needs for next spring, include United Plains Ag and CHS in your plans. Our agronomists are ready to talk with you. Give them a call.



In November, work progresses on the new 26,500-ton dry fertilizer shed in Sharon Springs. The project should be completed by June 2014.



Precision ag update

Continued from Page 1

CHS and United Plains Ag have positioned services to help your operation be on the leading edge of precision agriculture. The precision ag department utilizes those services with the latest equipment and facilities.

- A Polaris Ranger equipped with RTK accuracy to field map and collect both soil and tissue samples.
- Two Case three bin Variable Rate Technology dry fertilizer machines capable of variable rate applying three individual products simultaneously to meet your fertilizer needs. (see picture below)
- A 26,500-ton dry fertilizer facility scheduled to be completed this coming spring and a 4-million gallon liquid fertilizer facility meeting your needs locally.

All this combines with an experienced agronomy and fertilizer staff. CHS and UPA are ready to serve your needs.



Meet your precision ag specialist

CHS and United Plains Ag want to introduce Lloyd Cersovsky, the cooperative's local precision ag specialist. Lloyd joined the agronomy team in May as CHS and United Plains Ag focused on developing its precision ag department into an important tool in producers' plan to increase yields and up their return on investment.

Lloyd is based out of Colby but will be working companywide to implement YieldPoint Complete, CHS's precision ag management program. Before joining the CHS/UPA team, Lloyd worked at John Deere for 6 1/2 years where he was involved with the variable rate fertilizer systems and precision planting.

"I grew up on a smaller farm so making more with less was something that we had always needed," Lloyd said. "In this position, I have a better opportunity to help growers have success."

As one of his first priorities, Lloyd has been training on all the software that is available to help producers meet their

yield and ROI goals. He will support the agronomists who will be gathering data and talking with growers. Much of what Lloyd does will deal with data analysis, prescription writing and handling logistics on CHS/UPA's VRT machines.

"The challenge is making sure we are upfront with the grower on what our capabilities are and what their expectations are," he said. "Grower interaction is key, and I think that is what sets us apart with YieldPoint Complete."

He emphasize four points when he talks about YieldPoint Complete with producers.

- 1) Stability
- 2) Ever-growing world population needs to be fed
- 3) Optimizing ROI inputs while managing outputs
- 4) Helping producers make better management decisions

"At the end of the day, it's about providing stability for your practice and your field," Lloyd said.



*Lloyd Cersovsky
Precision Ag Specialist*

Lloyd is married to Nicole. They have four children: Makenna, 9, Emma, 7, Caleb, 5, and Jaida, 8 months. He enjoys hunting and spending time with family.

Fall, winter safety tips



*Robert Bieberle
Safety Specialist*

It looks like we may have some good weather for top dressing and getting NH3 on yet this year. I would just like to remind everyone how important is

to inspect their equipment to make sure that is in good working order and safe before heading to the field. Most pickups are capable of pulling two NH3 tanks, but they are not always capable of stopping two full tanks this time of year with frozen and slick roads.

There has been a lot of grain put into bins this year on the farm. There are some things that you need to remember when going into bins. Make sure the bin is well vented. An even safer approach is testing the air before entering with an air monitor. Watch for bridged grain that could be a hidden danger. Match up the bushels that you put in, or take out, with the size of the bin. That will help you decide if you may have a bridging problem. Trying to

knock grain that is stuck to the sides is dangerous too. This should be done from the top.

When cleaning bins using gas-powered motors, make sure the wind is blowing the fumes, from the engine or from the tractor, away from the bin and not into the bin where people may be working. And make sure that the guards are on all PTOs, pulleys, belts and augers.

We are building a new dry fertilizer building at our Sharon Springs location. If you are coming into town and want to take a look at it, PLEASE do it from the road on the north side of the property. We do not want anyone to get hurt. We will have an open house when it is completed, and then you can take a close up look at it.

And don't forget, at this time of the year, there are a lot of activities going on at our schools. It is getting dark early now so take a little extra time and watch out for the kids. Remember, they are the future of our communities.

Hargitt joins safety department

Heather Hargitt has been with CHS Quinter for four years, working in the billing department and with customer accounts. But when CHS Quinter and United Plains Ag decided to put more emphasis on driver compliance and driver safety, they asked Heather to fill the position.



She works closely with all the drivers and locations to ensure everyone is following proper procedures and regulations. She also maintains all driver files, and is currently working with approximately 70 drivers from 11 locations across Kansas and Colorado. That will increase when the Sharon Springs fertilizer facility opens in 2014.

Originally from San Diego, Heather moved to northwest Kansas more than 10 years ago. Her husband, Patrick, is a local grower, and they have two children, Kale, 5, and Kinley, seven months.

Changes at CHS Brewster



Travis Goodheart has been part of CHS since July 2010 when he joined the team at CHS Colby. He worked at the liquid fertilizer plant there, helping to get that project off

the ground. Now he is taking on a new challenge. On Aug. 1, Travis became location manager at CHS Brewster.

"My main responsibility is to make sure we keep moving forward with our customer base and business here in Brewster," Travis said. "We want to make sure we are involved in the community here and with the growers. We're taking the approach that it's been working well, but we think we can make it better. We see a lot of potential in this area."

Prior to working at CHS Colby, Travis owned his own trucking company and hauled ammonia, liquid fertilizer and propane for CHS so his relationship with the company stretches back even further than his years working as a CHS employee.

"Agriculture feeds the world," he said. "Everybody around here lives off of ag. We want to be here to make sure our growers are getting the best value. Return on investment is very big to us."

Travis is married to Velma, who is vice president of Farmers and Merchants Bank in Colby. They have one daughter and one grandson. In their free time, the Goodhearts can be found fishing at their private family pond east of Colby. They also enjoy watching their nephew compete in go cart races.

You can reach Travis at the CHS Brewster office, 785.694.2420.

There have been many changes at CHS Brewster over the past year. With a new location manager, two new agronomists and a new fulltime spray rig operator, we wanted to introduce the new team.



Shannon Ambrosier began working as an agronomy salesman for CHS Brewster in June. He replaced Dale Hazuka, who took over as CHS/UPA agronomy division

manager after Jeff Kahle was hired as the cooperatives' general manager. Shannon lives in Bird City and covers the area surrounding Bird City. He brings many years of farming experience and eight years at Frontier Ag to his new position. He appreciates that CHS is focused on providing adequate training for its agronomists so they can keep up on the latest news and technology.

"Everybody works as a team and we learn how to do everything," he said. "CHS puts money into training everyone so we can be the best we can be."

One of Shannon's main goals is to bring in more new customers. He is focused on meeting all of his producers face to face to make more personal relationships. You can reach Shannon by cell phone at 785.694.3091.

Shannon is married to DeAnza. They recently opened a used furniture store in Bird City. DeAnza also works as activities director at Good Samaritan Village in St. Francis. They have four grown children and two grandkids.



Mark Beringer has spent most of his life in agriculture and is eager to get back out on the road meeting producers. Mark joined CHS Brewster's agronomy sales team

Oct. 28. As a salesman and sale manager for various seed companies, he has covered most of western Kansas, but for the past decade, he has also been a business owner.

In 2001, he and wife, Ardath, bought an existing hardware and appliance store in Colby. Now with Mark's son, Curt, running Beringer Hardware, and Ardath running Colby Photo, Mark was feeling that pull back to the country.

"I miss being out on the road and working with the farmers," he said. "People buy from people so you have to get out there and establish relationships with them so they know that what you tell them, they can trust."

He will be covering much of the trade territory from Brewster to Winona. If you need to contact Mark, you can catch him at 785-443-2754.

Mark and Ardath live in Colby and have two children and seven grandchildren. Mark has dabbled in politics and was a member of the Colby City Council for 17 years, council president for two years. He is a graduate of Leadership Thomas County and Leadership Kansas.



Kyle Ackerman has been working at CHS Brewster since November 2012, but he recently took on a new position, fulltime spray rig operator. In the winter months, he will still be working in the warehouse at Brewster, but come spring, he'll be in the fields. "I like being out in the country, the front-line of showing customers what we do," he said.

Kyle grew up on his uncle Ed Ackerman's farm near Brewster and helped on his custom-cutting crew during high school. After graduating from Little River High School, Kyle moved to Brewster because he liked the area and the friendly people. He has lived in Brewster for eight years and enjoys hunting and fishing. He is also a member of the Brewster Volunteer Fire Department.



We can help pay for your bulk oil tanks



Dustin Quenzer
Certified Energy Specialist

It has been a busy last few months for the energy department. With the big rains we have received, farmers have been getting their fields ready for wheat drilling. While most of the fall crops are already out of the fields, there are still some farmers going hard. To help our producers, United Plains Ag and CHS are excited to announce some new programs.

The first is a bulk oil tank program. UPA/CHS will help pay for the bulk oil tanks. Producers pay for the tanks up front, and when they hit a minimum gallon requirement, they will get a 25¢ per gallon credit back to 500 gallons. The reason we are doing a program like this is because bulk oil is the most efficient. Depending on the oil, producers can save at least \$3.25 per gallon without handling 30- or 50-gallon drums.

Another program we are excited to announce is the oil booking for 2013-2014. The booking will run from Nov. 1-Jan. 31, 2014. This oil booking includes all prepackaged and bulk oils. If you book oil in November, you will get a 7% discount. If you book oil in December, you will get a 5% discount. If you book it in January, you will get a 3% discount. The only thing we require is the oil be picked up or delivered at the end of the month you book it in. If you are interested in pricing some oils, feel free to give me a call.

The Renewable Fuels Standard passed by Congress in 2005 is requiring refiners to use more ethanol in fuel. We have been dealing with issues of how to get a non-ethanol gasoline to our fuel pumps in Sharon Springs and deliver it. Right now, we are only offering a premium unleaded, which is a 91 octane gas (before we were offering an 87 octane gas). We have decided to offer a non-ethanol blend of gas and a 10% ethanol blend gas (E-10). E-10 will be 30¢-40¢ cheaper than the non-ethanol gas. We started offering E-10 in early November. If you have any questions about E-10 gas, feel free to call me.

We wanted to make our producers aware of the Cenex Tanks of Thanks program. This program recognizes and rewards people who do good deeds within the community. Cenex rewards these people with \$50 gift cards, which can be used at any location. United Plains Ag\CHS Quinter would like to thank the following people: Tribune - Roxi Pringle, Dale Wetzel, and Diane Gentry; Quinter: Kirby and Donna Gillespie, and Colby: Connie Kough; for their hard work in making the community a better place. If you know anyone who deserves this recognition, you can either nominate them at www.tanksofthanks.com, or contact me.

We have a monthly energy newsletter that has informative articles in it, along with a monthly review of fuel prices. If you would like to receive a copy, email me at dustin.quenzer@chsinc.com, and I will put you on the distribution list. I would like to thank everyone for their business in 2013. Feel free to give me a call if there is any way we can help you with your energy needs.

New faces at Sharon Springs, Colby



Ralph Mitchell has joined United Plains Ag as a fuel truck driver. He joined the cooperative last May and has been busy covering United Plains Ag's trade territory

delivering fuel. Before joining UPA, Ralph had worked for Wallace County for 13 years. When he's not delivering fuel, he is driving a feed truck for the cooperative.

"I like to stay busy," Ralph says of his long days in the truck. He enjoys getting out of the office and seeing people out in the country.

Ralph's wife, Allison, also works for UPA in the grain department. They live in Sharon Springs and have two children and one grandchild. Ralph is also a volunteer fire fighter for Sharon Springs and enjoys woodworking.



Phil Knudsen joined United Plains Ag in early November as spray applicator and agronomy salesman. A lifelong resident of Arapahoe, Phil has been in agriculture

all of his life, farming until 1997, and then working for Wallace County Cooperative for several years. Then he went into business on his own spraying crops for producers, but when Joe Bush approached him about working for UPA, he decided to return to the cooperative.

Phil lives five miles southwest of Arapahoe, Colo., with his wife, Debbie. She works at 21st Century Bean Processing in Sharon Springs. They have three children and three grandchildren. Phil is an avid gun collector and is a board member of the Keefe Memorial Hospital in Cheyenne Wells. He is also active in the Republican Party.



Ryan Bland is the newest employee at CHS Colby. He was hired in early October as the Colby agronomy warehouse manager. With his CDL and Hazmat certifications,

he helps haul fertilizer product and takes care of product in the warehouse.





UNITED PLAINS AG

102 N. Front
PO Box 280
Sharon Springs, KS 67758

UnitedPlainsAg.com



In November, walls were going up at the new 26,500-ton dry fertilizer shed in Sharon Springs. The project should be completed by June 2014. Learn more on page 4.

UPA/CHS earns Kansas Environmental Respect Award

United Plains Ag and CHS Quinter has been honored with the 2013 Kansas Environmental Respect Award.

This honor is given to recognize and promote environmental stewardship in farm supply retailers across the United States. For 19 years, the Environmental Respect Awards has strived to encourage and honor excellence in stewardship, educate retailers and distributors around the world on safe business practices, and promote environmental agriculture to the industry and the general public. The dealers and distributors who have been honored with Environmental Respect Awards have displayed outstanding initiative and are shining examples of what it takes to make the world a safer, cleaner place to live.

The state award recognizes one business from each state that is judged to be the best in that state.

