

RIVER COUNTRY COOPERATIVE



www.rivercountry.coop • 651-451-1151

FALL 2020 EDITION

The New Reality of Life, Business

By JOHN DUCHSCHERER, GENERAL MANAGER/CEO

It's the unavoidable topic that works its way into every conversation and has changed our way of life. Now, and for the foreseeable future, doing business while COVID-19 sets the rules is our new normal.

For the past few months, River Country Cooperative has been adjusting to and operating under this new normal. As an essential business, we didn't have to go through the process of shutting down and re-opening as other businesses did. We adapted to the new normal and continued to operate all of our business units with relatively minor adjustments to hours of operation and customer interaction.

Through all of this, our priority continues to be the safety of our employees, patrons and environment. We're following state mandates, social distancing, wearing masks and elevating and enforcing cleaning policies at all of our facilities. We are essential to our communities, so we've focused on finding ways to keep our businesses open every day to serve our customers.

Rest assured that we are doing everything possible to operate as normally as we can under constantly changing circumstances. Please be patient with us, and if you ever have a concern, please reach out to the office.

Moving ahead

The pandemic hasn't stopped our planned facility improvement projects. At our

Hector convenience store, we've completed the conversion from Cenex® to a brand-new look-and-feel Holiday® store. We are also in the midst of upgrading our Lakeville Holiday store.

Moving to our agronomy department, we're in the planning stage of an upgrade to our Hastings liquid fertilizer and chemical facility.

We understand the seriousness of the pandemic, and we're taking the appropriate steps to deal with the threat. At the same time, we are committed to maintaining our high level of service, and our business units continue to move forward.

Thank you for your support, and we look forward to what we hope will be a very good harvest. ★



Virus, China Steering Grain Market

By Dave Belongia, Grain Department Manager

We have been blessed with a much-improved growing season compared to 2019. Accumulated growing degree days are ahead of last year and all signs point to a good corn and soybean crop.

COVID-19 and how it affects our daily lives and spending habits continues to make headlines, along with foreign trade issues which are always important to producers and ag businesses in our area.

Our relations with China continue to impact the American agricultural industry. There are tensions between the U.S. and China over how we think they handled the COVID outbreak in its early stages, their strained relations with Hong Kong and their aggressive stance in the South China Sea. Our administration, however, says that trade relations are "just fine." Both the U.S. and China have a lot to gain by keeping trade channels open.

We typically think of China as a soybean customer, which they still are. This year they have also been a significant buyer of U.S. corn. Corn demand is high there as they continue to rebuild their swine herd and keep their poultry flocks fed to replace the pork lost to African Swine Fever. Dry weather in



some northern areas of China is affecting corn production so, as prices rise, the Chinese government is auctioning off some reserve stocks in rural areas — some as old as 2015 — to keep up with demand. They can import corn into coastal areas at a profit right now.

Food security is a top priority of the Chinese government and they will do all they can to keep adequate food supplies available. Many feel China believes they handled the COVID

outbreak as well as anyone, yet it still caused disruptions in trade and product movement within the country. Look for strong shipments of U.S. grain to China from now until February as shippers try to avoid any port shutdowns that may occur due to future COVID outbreaks.

We are working to be as ready for harvest as possible, so talk to me about your storage needs

before harvest starts. Regardless of your opinion of the markets, we have marketing options available to help you handle the bushels you store at home or want to move during harvest. We also have managed marketing programs available through our marketing partner, FC Stone. Call me anytime with questions. ★

Maintaining Our Focus on You

By Eric Hanson, Chief Financial Officer

Though our office staff has been working remotely during the pandemic, they've done a great job of taking care of our patrons — just as if they were in the office. We've also brought on additional customer service staff in the energy and grain and feed departments to assist you with account and billing questions as we prepare for another busy fall and winter.

The online capabilities we've added have also proven their worth, as River Country customers can view invoices, see stock and equity statements, pay bills and more right from home. If you haven't signed up for this service, now is the perfect time.

Despite the COVID-19 disruptions to daily life, your cooperative continues to retire patron equity. We will retire the equity earned in calendar year 2020 this year.

Our 2021 agronomy finance program is coming out this month. It will be similar in many ways to last year's program but will also have some new features producers will appreciate.

While we've changed some of the ways we do business to keep customers and employees safe through this pandemic, our goals as an organization remain the same. Our management team focuses on maintaining a strong balance sheet to protect your equity while investing in the personnel and fixed assets needed to deliver the level of service you expect and deserve.

Thank you for choosing to do business with River Country Cooperative. ★

Change, It's in the Air

By **CHRIS CARLSON, AGRONOMY SALES MANAGER**

As the 2020 crop starts to come out of the fields, we'd like to take time and reflect on the season. Overall, the year has been quite favorable for much of our geography. Mother Nature has certainly blessed us with wonderful weather this season. Like the transition of the seasons, we too have experienced some positive changes. We have been fortunate to grow our family with three new additions to our agronomy staff.



Patrick Kopesky joined us this spring at our Le Center facility. Patrick lives in Belle Plaine with his family and brings four years of agricultural experience, both in retail and, most recently, as a crop consultant in south central Minnesota. Over the course of the season, Patrick has settled in nicely and has proven to be an integral part of the Le Center team.

Carl Johnson is a recent South Dakota State University grad and joined our Randolph team late this spring after graduation. Originally from Rosemount, Carl had done a number of local internships over the years and as such knows the Randolph trade area well. Full of energy and the willingness to provide the service our patrons have come to expect, Carl is a terrific fit in Randolph and we are lucky to have him as part of the team.



Most recently, **Joel Boyum** has also joined the Randolph team. Joel comes to us with 25 years of retail ag experience and relationships that will help drive us towards our goals. Focusing on areas to the south, his broad scope of knowledge and ability to hit the ground running will prove valuable at all levels of our organization.



Certainly not new to RCC, **Jake Hansen** (Hastings) has accepted a new position and will be leading all aspects of our seed division moving forward. As RCC Seed Manager, Jake will manage inventory, programs, orders and plots to make sure we are in the best position to service our seed customers. Along with his



new responsibilities, Jake will continue to work with his core customers and provide them the service they have become accustomed to.



Along with these additions, we also had to wish **Nick Niebur** (Randolph) a very fond farewell. After 40 years with the coop (through multiple mergers), Nick decided that the end of September was time to hang up his boots. Nick will be spending more time with family and managing his own farming operation. Nick's commitment to RCC and the relationships he has cultivated over those 40 years have not gone unnoticed. Everyone at RCC says "thank you" for all that you have done. We are confident you will enjoy your next chapter.

With the 2021 season on the horizon, I would like to close with two points. As in years past, our RCC internal financing program is ready for the new season. We have made some notable changes to the program this year, with the most significant being an option for 0% interest through November 2021. This tool can be utilized for all crop inputs purchased through RCC (seed, fertilizer, crop protection, etc.). The feedback we have received in years past has been extremely positive and we are looking forward to providing this option to our growers. Applications are now being accepted, and if this is something that interests you, please speak to your agronomist for more details.

Lastly, it is time to start thinking about the 2021 season. Some of the first decisions you will make for next year will be on seed — brand decision, trait choices, etc. It is important to start thinking about these now, as nobody knows exactly what seed availability will look like in February. What we do know is decisions made early result in securing your #1 choices as well as the most competitive pricing available. Cash discount dates are quickly approaching, and your best pricing opportunity will be in the next few months. Your agronomist will be reaching out over the next several weeks to discuss your plans and help you make the best decisions for your farm.

Most importantly, all of us at RCC want to thank you for a successful 2020 season. Have a wonderful and safe harvest and we look forward to serving your operation in 2021. ★



RIVER COUNTRY COOPERATIVE



9072 Cahill Ave.
Inver Grove Heights, MN 55076

PRSR STD
U.S. POSTAGE
PAID
SIOUX FALLS, SD



Planning Keeps the Propane Flowing

By LANCE PROUTY, ENERGY MANAGER

As John pointed out in his article, we're all doing our best to adapt to a new way of interacting with one another, and the energy business is no different. Our delivery team is taking all the appropriate precautions to stay virus-free and protect those we serve.

We're moving rapidly toward the harvest of 2020, and our situation this year is vastly different than it was last fall. Farmers were dealing with the perfect storm of wet corn and a cold November in 2019. The big drying load and high home heating demand put a strain on the propane supply chain.

The conditions also exposed some of the shortcomings of other propane suppliers. Situations like the fall of 2019 are the reason we spend so much time and energy on our supply planning at River Country. As a result, we had a steady supply of propane when many others ran out.

Our supply plan includes a number of different elements — training our drivers, utilizing technology to dispatch our delivery fleet and improve efficiency, maintaining adequate storage capacity and choosing the right sources of product.

This final point — where we source our propane — is the reason we may not always be the lowest-cost supplier. Where we pull our product is not based solely on economics but is weighted heavily toward dependability of supply. Our primary focus is keeping our customers supplied at all times—even when availability is limited.

Because we look ahead and continually engage in supply planning, we will have propane when you call. We didn't run out of propane in 2019, and the biggest compliments we received were, "Oh, I didn't know there was an issue." Our planning process means you can count on us to meet your energy needs — just as we always have. ★