

DECEMBER, 2020

SYNERGY

COOPERATIVE



IN THIS EDITION:

- 2 - OVERVIEW FROM KARL VARNES, CEO
- 4 - MEET THE NEW CEO
- 5 - BOARD OF DIRECTORS REPORT
- 6 - ENERGY UPDATE
- 10 - FEED TEAM UPDATE
- 12 - AGRONOMY UPDATE
- 14 - GRAIN UPDATE
- 15 - C-STORE UPDATE
- 16 - MACHINERY UPDATE
- 16 - HARDWARE UPDATE
- 17 - SERVICE STATION UPDATE
- 17 - CREDIT DEPARTMENT UPDATE
- 18 - EDITOR'S NOTE
- 19 - A NOTE FROM THE CONTROLLERS

GREETINGS FROM YOUR CEO

Karl Varnes - CEO



What a wonderful fall we've had this year – and well deserved! It's a welcome relief for most to have harvest completed prior to winter as well as the opportunity to finish other outdoor projects.

We've finished our audit for the fiscal year and it was a success. Perhaps better than we anticipated through some uncertainty this past year. I won't dwell on what those things were as I believe we've all had our fill! Thank you to our customers, employees, and board for the support, dedication, and leadership.

The year ended in September with sales dollars over \$190 million, which is down from last year due to lower energy prices. However, this lowered our cost of operations along with lower interest and other costs. Our ownership in our LLC Energy Solution Partners added \$3 million to our bottom line. The resulting local net was over \$7 million with a bottom line after regional patronage of over \$10 million which is up \$2 ½ million from last year.

The benefit to these results will be \$3.1 million being paid out in patronage, generated from patronage sourced income last year. Your board voted to pay 50% in cash once again this year in an effort to return more cash more quickly than stock retirements. Almost \$700,000 will also be passed through to our grain customers as a DPAD tax credit. In addition, \$950,000 in equities were paid out or "retired" this past year. It is gratifying to be able to remain price competitive throughout the year and become efficient enough to return these "profits" back to our customers and owners. That's why coops were originally formed.

Just a few comments on the year passed; Despite challenging conditions – and markets for most of the year, sales were actually up in some C-stores, as was profitability for that entire division. Feed and fertilizer sales were up improving profitability for both. Hardware and machinery sales were up significantly as more people "shopped local". Energy continues to show strong results also. Once again, thank you to our customers for your support, and our employees for their dedication and perseverance this year.

It was decided to "stay the course" on projects approved last year. The agronomy shop in Elk Mound and the shed in Almena are complete. The new C-store in Cumberland is taking shape. The building costs of these projects would have been significantly higher had they been delayed.

Our "Annual Meeting" will be by mail this year with current restrictions and guidelines. Financials, board election ballots, and information will be mailed out in early January to all eligible voters. As a reminder, while all members receive patronage, as a producer coop, voting members must be producers of agricultural products doing business in the last fiscal year. Annual reports will be available in all office locations in January to anyone who would like one. We look forward to doing this in person once again next year.

Now, on to the future. I'm sure many of you have heard of my retirement coming up in January. It has been an honor and privilege to lead your cooperative over the years. This has been a planned transition and your board has chosen Kyle Knutson from a group of very qualified internal and external candidates. Having such a quality management team has and will serve you well going forward. Having worked with Kyle in his COO role for the last 3 years I can tell you that you're in good hands. After over 35 years with cooperatives, over 30 years with this cooperative, and 25 years in this position, it is time. It's time to turn the reins over to those with the vision and energy to lead this business forward for the foreseeable future. I appreciate the opportunity to have worked with and met so many wonderful people over the years. I hope to maintain those relationships on a more "casual level" going forward.

The landscape certainly looks different than it did 25 years ago, but your cooperative is in the best position and shape it has ever been. We remain consistently committed to all the communities we serve. Your balance sheet is strong, with the best employee group I've worked with. The future of Synergy Cooperative is definitely bright.

Merry Christmas and Happy New Year

BOARD OF DIRECTORS

DAVID SCORE
CHAIR

SONNY MOLLS
VICE CHAIR

BRIAN JOHNSON
SECRETARY-TREASURER

STEVEN ACKERLUND
DIRECTOR

KENNETH BJORK
DIRECTOR

JEFF OLSON
DIRECTOR

TOM KRISKOVICH
DIRECTOR

WAYNE SOLUM
DIRECTOR

MARVIN PRESTRUD
DIRECTOR

GREETINGS FROM YOUR INCOMING CEO

Kyle Knutson - Incoming CEO



Happy Holidays,

As Karl stated in his article, he is retiring in January and your Board of Directors has selected me as the new General Manager/CEO of your cooperative. I am honored to be selected as the leader to guide your cooperative into the future. I can assure you that I will give the co-op the time, energy, and dedication to maintain and to continue the successful growth the co-op has seen since the merger.

I would like to introduce myself to those who I have not met. I started my cooperative career 23 years ago as a Department Manager. In 2003, I was hired as the General Manager of Colfax Farmers Union Cooperative. In 2011 Colfax and Menomonie Farmers Unions' merged creating Cedar Country Co-op. After this merger was put together, I was the Energy Division Manager/Assistant General Manager. In December of 2016, I took over the reins as General Manager of Cedar Country Co-op until the merger of Synergy. Since the Synergy merger, I have been the C.O.O. of Energy and Retail, having the pleasure of working very close with Karl over the past three years.

The cooperative landscape has changed dramatically since my first General Manager position 17 years ago. At that time, from Highway 29 north, there were 11 farm supply cooperatives in Northwest Wisconsin. Today there are only four farm supply cooperatives in that same trade area after all of the mergers that have happened. As I look back to those "earlier" days, who would have thought that the neighboring co-ops who competed against each other could join forces and work together as well as Synergy Cooperative has!

I look forward to working for the Board of Directors and the members of Synergy Cooperative in this new capacity. I am very fortunate to have an outstanding group of talented leaders and team members in place to help move the co-op forward into the future. I will be transitioning from the Elk Mound office to the Ridgeland office before the first of January. Feel free to stop in and visit or reach out to me by phone or e-mail at any time.

I would like to thank you for your support of Synergy Cooperative in the past and hope to continue this into the future. I wish you a Safe and Healthy Holiday Season!

Merry Christmas

Annual Meeting

Our "Annual Meeting" will be by mail this year with current restrictions and guidelines. Financials, board election ballots, and information will be mailed out in early January to all eligible voters. Annual reports will be available in all office locations in January to anyone who would like one.

BOARD OF DIRECTORS REPORT

Dave Score - Board of Directors Chair



For most people, the year 2020 is one we are anxious to put in our rearview mirror.

However, the challenges we faced, revealed a determination, resiliency, and perseverance in the people in our local communities in general, and the employees of our Synergy Cooperative in particular. Day after day, Synergy employees showed up for work, they did their jobs, and they did them well.

The products and services provided to our customers by our co-op are essential, and the people who deliver these products and services are essential as well.

The board of directors is extremely appreciative of all of the Synergy employees who performed so admirably, during these disruptive and stressful circumstances. Thank you.

Decisions which were made in our board room this year have resulted in \$7.7 million in investment in our cooperative for facilities and equipment. We are confident that these decisions will strengthen the ability of Synergy Cooperative to serve the needs of our customers as our industry continues to evolve and expand.

Also, \$3.1 million will be paid out in patronage, and \$950,000 in equities were retired. This is all made possible because of a \$7 million local net income.

Our cooperative is in a strong position, and we believe, positioned for resistance to the storms which our industry regularly delivers.

Several months ago, our CEO, Karl Varnes, indicated to the board, that he would like to retire at the end of 2020. Karl has always understood the importance of stability and it was consistent with this pattern that his early communication to us of his intentions allowed us the luxury of a thorough and deliberate process for the selection of his successor. The board was extremely impressed with the quality of the people who were interested in the position of Synergy Cooperative CEO.

Ultimately, the position was offered to Kyle Knutson and he accepted. We have every confidence that Kyle has the knowledge and experience which will enable Synergy Cooperative to maintain the momentum it has gathered since its formation.

We wish Karl much happiness and pleasure in his retirement. Karl brought intelligence, good judgment, vision, and a reliably steady demeanor to our cooperative. The board of directors is responsible for choosing a CEO, and the CEO is responsible for surrounding himself with people of quality and talent. Karl did this well, and our cooperative will benefit from that legacy far into the future.

The board of directors of Synergy Cooperative hopes that you are pleased with the performance of your co-op, and may we all enjoy a happy and prosperous new year.

ENERGY - PROPANE

Kyle Knutson - COO - Energy/ Other Retail



Hello from the Propane Division,

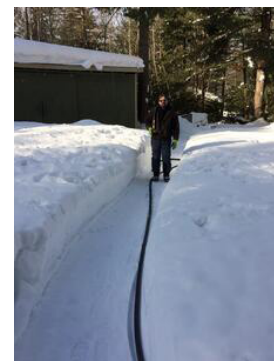
As winter is upon us, it is time to keep a close eye on your propane tank levels. It is a good habit to check your tank weekly to know where your tank level is at. This is the time of the year when we seem to have the most will call customers run out of propane when they don't watch their tank percentages.

The heating season began back in October. I don't know why, but it sure seemed to be much colder than I am used to for October. We were preparing ourselves for a long cold winter the way it began. Thankfully, November and the beginning of December offered more seasonable temperatures as well as some near-record high temperatures.

This year has been and appears that it will continue to be significantly different from past years in other ways. As much as I was hoping to avoid mentioning it, COVID has presented challenges for your cooperative as well as many of our patrons. One of the impacts for our patrons is that more people are working remotely from their homes and several of these patrons are experiencing about 10% increased usage based on their consumption as compared heating degree days. It appears that the thermostats are being tuned up to keep these homes warmer during the daytime.

Corn drying demand has been very light this fall for the entire Midwest. Decreased corn drying demand has helped hold U.S. propane inventories at a more "comfortable" level as we head into December. The current U.S. propane inventories as of the first of December are very similar to the same time last year and in line with the five-year average. With the majority of the corn harvest complete, the primary driver of the propane market going forward will be the export market, until of course, the colder weather arrives. The U.S. has exported 81% more propane in 2020 than in 2019. Thankfully, the U.S. domestic propane production is keeping pace with the increased export demand.

It is also the time of year to remind everyone to please take the time to keep a path cleared of snow to your propane tank to allow your delivery driver to access your tank safely. It is also recommended that you keep your propane tanks clear of snow to allow daylight/sunlight to warm the tank which will help the propane boil in the tank to produce higher vapor pressure. As the temperature of the propane gets colder it drastically reduces its ability to boil and create vapor. The liquid propane needs to boil in the tank to create vapor to supply the vapor to your appliances to burn. When clearing your tanks of snow, please use a broom to avoid damaging the finish coatings of the tank. Please take time to periodically look at the regulators that are mounted to the outside of your buildings and make sure they remain clear of snow.



ENERGY - PROPANE



Please call to order a delivery when your tank gauge reads 30% to allow ample time for your cooperative to efficiently schedule your delivery. The more orders that we can "pool" for delivery in your area, the fewer miles we have to drive to deliver gas. This allows us to be more efficient and reduce delivery costs, which in turn, enables your co-op to be more profitable and return a higher dividend to you, our member-owners.

Steps to take if you smell gas or suspect a leak:

- Extinguish all smoking materials and any other open flames or sources of ignition.
- Get everyone outside and away from the home or building.
- Do not use a landline phone or operate any light switches.
- Call your propane supplier or call 911 (use a cell phone outside or a neighbor's phone if the propane smell is coming from inside the house).
- Stay outside and leave the gas off until assistance arrives.
- Do not re-enter the building until it has been deemed safe.

Please follow these guidelines for the safety of you and your family.



Thank you for your patronage and I hope you have a safe and enjoyable holiday season.

As a reminder:

Synergy Cooperative cannot take any orders over the website, contact form, or email.

Please call one of our offices, to place orders for fuel or propane

If you need an after-hours emergency fill there are emergency numbers on our answering machine.

PO Box 118
Almena, WI 54805
715-357-3650

PO Box 155
Ridgeland, WI 54763
715-949-1165

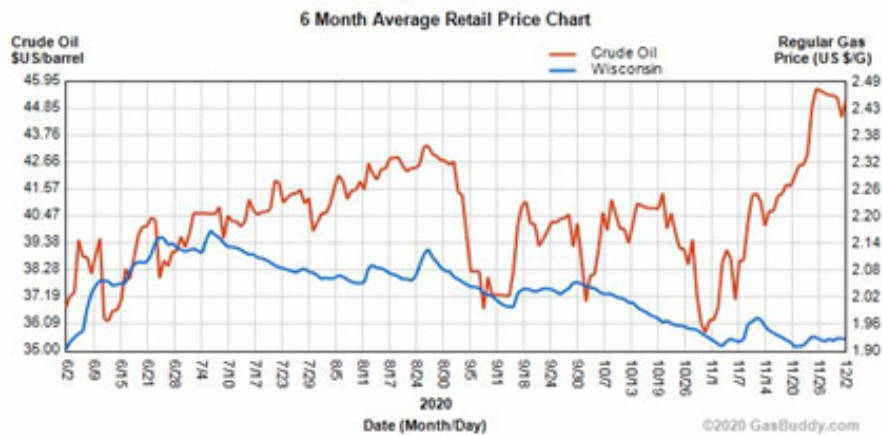
PO Box 70
Elk Mound, WI 54739
715-879-5454

ENERGY - FUEL

Kyle Knutson - COO - Energy/ Other Retail

Hello from the Fuel Division,

The petroleum complex has been extremely volatile over the past year. Covid, the economy, and the demand destruction that these have caused are impacting the markets in ways that we have not seen in the past. In recent weeks, traders have been optimistic about the future demand for crude oil as you can see by the chart shown below. From what we are being told, as well as how we are seeing the market reacting lately, the market is pushing higher every day there is more positive news on the Covid vaccine progress. In the chart below, the red line illustrates the crude oil price range for the past six months. Crude oil has traded in a range between \$36 to \$46 over the past six months, trading in the higher end of that range most recently.



The following is a crude oil forecast from an Investment Banking Firm: The firm is forecasting Brent crude oil to be \$47/bbl in 1Q2021, followed by \$51/bbl in the second quarter; \$59/bbl in the third quarter, and \$63/bbl for the final quarter. That final number is about \$18/bbl above what Brent crude oil is fetching in Nov. 19 futures action, so the implied upside is a whopping 40% move!

With that in mind, along with the direction the market has gone since the first of November, this may be a time that offers an opportunity to lock in diesel fuel prices for 2021 as well as a great time to fill your onsite storage for your spring needs.

If you are interested in contracting diesel fuel to protect yourself from rising prices in 2021 or would like to receive more information in regards to contracting, please call Dave Kaufenberg in Almena, Todd Mandel in Rice Lake, or Josh Sykora in Elk Mound for information or a daily quote.

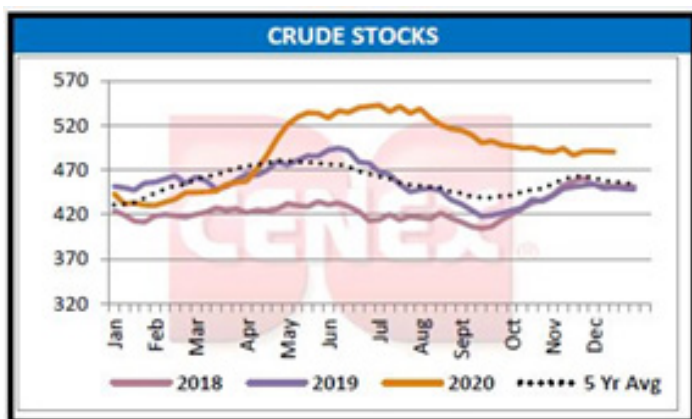


**RUBY
FIELDMASTER™**
PREMIUM AG DIESEL FUEL



ENERGY - FUEL

The graphs below show crude oil supply about 10% higher than last year and about 5% above the five-year average. Distillate (Diesel) supply was "bursting at the seams" so to speak through the summer months and has recently fallen back in line with the 5-year average. Refineries have scaled back the production of crude oil by about 15% to reduce the inventory levels as well as re-tooling refineries to produce more gasoline and less diesel fuel. Gasoline inventories had also grown to about 15% over the 5-year average in mid-summer but since have retreated to be more in line with the 5-year average.



Bulk Diesel Exhaust Fluid Delivery is Here!

Synergy Cooperative is now delivering DEF in Bulk, Totes, and Drums. In addition to product delivery, we have DEF equipment in stock to meet your needs. If you are interested in DEF delivery, please contact Dave Kaufenberg in Almena, Todd Mandel in Rice Lake, or Josh Sykora in Elk Mound.

Cenex® Gift Cards for Gallons Reminder

We are a couple of months into the Cenex® Gift Cards for Gallon's promotion. The promotion runs from November 1, 2020, through February 28, 2021. Customers can earn one \$50 VISA® gift card for every 100 gallons of Cenex Lubricants and grease products purchased. There is no better time than now to top off your bulk lube tanks. Filling your tanks now will assure you have the inventory on hand in the spring when you need it and not have to worry about having to avoid the spring road weight restrictions.

**MAXIMIZED EQUIPMENT PERFORMANCE.
POWERED LOCALLY.™**

Earn a \$50 Visa® gift card for every 100 gallons of qualifying Cenex® lubricants and greases you buy*

CONTACT US FOR DETAILS

CENEX

*Between Nov. 1, 2020 – Feb. 28, 2021. Cenex® is a registered trademark of CHS Inc.

Thank you for your patronage and I hope you have a safe and enjoyable holiday season.

FEED

Bob Hinrichs - Feed Division and Feed Operations Manager



Season's Greetings,

2020 sure has been an interesting year. We have seen your Feed Division really grow. We had to do a few things differently than we did in the past but we reduced margins by utilizing locational strengths, purchased more products together, and shared labor more effectively. On top of reducing margins, we were able to expand sales over the previous year. The resulting increased sales and decreased margin have proven that the desired outcomes of the merger are taking hold. We have much more to be done in the feed division when it comes to efficiencies and building for the future but it was great to see that the previous changes over the last couple of years have us heading in the expected direction.

The upgraded calf mixing system at Elk Mound is completed except for software upgrades on the liquid system. The upgraded mixing setup is working marvelously and once the software is upgraded it will be full steam ahead. We increased the mixing output without sacrificing quality. Once the software for the new liquid application system is completed it will increase output even more. Sarah and nutritionists from Vita Plus have put together a high performance-based calf feed which will be available at our other locations once the software upgrade is complete. Please contact the Synergy nutritional team with any questions you might have on the new features and benefits of the new calf feed line.

The next product upgrade on the horizon will be minerals and premixes. Sarah and Vita Plus have been working diligently on raising the bar of standards for Synergy branded minerals and premixes. We always want to make the best product for your animals for optimum health and performance. It is not always easy to increase quality without increasing the cost but once again their ways to purchase that can save labor, and add to discounts.

On the organic and non-GMO side of our business, we have signed an agreement with Crystal Creek. Teresa Marker (nutritional consultant with Crystal Creek) has been reformulating the Synergy non-GMO product line. It is our hope to unveil the new product line next spring. Through this agreement, Synergy has access to new products and a solid different option for those whose business may be dependent on organics or non-GMO's. We are still exploring which location to have those products retailed or manufactured at. Rest assured our customers will get the highest quality most convenient product available.

I want to mention that currently, soybean meal prices have been very high. If you are looking for an option canola has been pricing quite well into dairy protein mixes and as of now, there is around an \$80/ton spread. You may want to contact your Synergy nutritionist to find out if canola will work in your protein mix.

The Synergy Feed Division will continue to improve customer purchasing experience across a broad spectrum of areas. Our focus is always on you our customer/owners. From equipment upgrades that increase not only the quality of the mix but also the efficiency of manufacturing to adding new technologies to calf feeds, improving mineral lines, or reformulating with the addition of new organic and non-GMO products we have you covered. This has been a busy year with no signs of slowing up. That is a direct result of our Customer/Owners and we cannot be thankful enough. You have given us fantastic support. We look forward to serving you in the future and are excited about all the opportunities that the future holds.

Thank you again and from all of us have a Blessed Christmas and a Happy New Year!

FEED

Sarah McHenry - Sales Team Manager and Lead



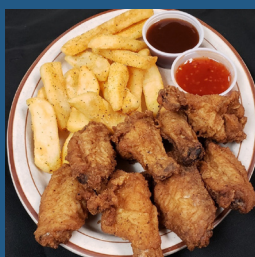
If the year 2020 were a cow it would be a stubborn but productive second lactation animal. She was ok her first lactation in 2019, but the hope for next year, her 2nd lactation has to be better. Her freshening comes after an uneventful pregnancy producing a beautiful heifer calf. As you go to milk her, her udder is beautiful and really filled out. She is a little slow to come into milk and then starts to kick the milker off. You're irritated but you think, "She is just fresh". The next several milkings she gets worse and you become more irritated moving her quickly to the top candidate for the cull list. Just as you are ready to call the trucker she takes off in milk and begins to have a better temperament. This is helpful since the milk price is starting to show a little promise. Then bang she finally has had enough of the alternative forage ration and pretty much dries herself up by March, much like the milk price and her low production winds up being a good thing for the farm since the milk processor has imposed a milk quota system and the farm can only send so much milk to the processor. She is a low producer for about a month, then late spring comes and just the sight of alfalfa gets her milking more. As the spring weather continues to stay nice and mild, she starts eating fresh first crop and her milk production climbs at an unseen rate, much like the milk price. She cruises along the rest of the lactation without much trouble, except for a slight hiccup later fall when the new boss cows were having their debates. After that, her milk production and milk components were very rewarding to the farm, breeding back even through the heat of the summer and finally is ready to be dried off again. Leaving behind another lactation, but anticipating what next lactation has in-store with all the struggles and victories each one has.



2020 will be another year to remember and we thank you for your continued business through the rewarding and challenging years. As always we are here to help.

Merry Christmas and Wishing you a blessed New Year

CHECK OUT OUR RESTAURANT & BAKERY!



EXIT 45 RESTAURANT & BAKERY
2100 COUNTY ROAD B
MENOMONIE, WI 54751



Exit 45 Restaurant and Bakery is a from scratch full service restaurant. Homemade food, breakfast, lunch and dinner. Plus house made pies and desserts.

Open daily: 6:00 AM to 9:00 PM for dine in or take out

You can also order online at
www.synergycoopexit45.com

AGRONOMY

Rich Carr - Agronomy manager - Northern Region



I want to take this time and thank all of our customers for all of their hard work and efforts in making it through another harvest season. We appreciate your business and continued support in growing our businesses together.

Our agronomy staff is in full swing preparing for the next growing season that is right around the corner. We are offering complete Farm Plans to show your ROI on every acre and to help maximize efficiency during planting season. Ask our Agronomists about the latest genetics in seed. We can place the best hybrids on your soils to bring the highest yields possible. This is also a great time to plan ahead for weed resistant management and tie everything into the Farm Plan.

Synergy Coop is very excited to be able to help with cash flow during the season by offering our upgraded finance plan from Secure by Winfield. This is a single payment loan maturing 2/1/2022 at 0-2% APR on seed and chemical and new this year Prime+ 0-2% APR on fertilizer, glyphosate, and application of products purchased through Synergy.

Take advantage of prepay now with this great offer and lets continue to grow and work together.



AGRONOMY

Travis Berg - Agronomy manager - Southern Region

I would like to start by thanking you for your business in 2020. We appreciate your support and we will continue to earn your business.

Currently, our sales staff is working on making plans with growers for 2021. This includes trying to lock in the best possible price on fertilizer inputs. I feel that this fall/early winter will be a very good time to lock in your spring fertilizer needs. Inventories are down because of the excellent fall application season we saw across the nation. Imports have been slow to arrive and the river system has been difficult to get product up as quickly as in the past. In addition to these scenarios, we are seeing grain prices rise almost \$1.00/bu since August 2020. All of these factors combine to give us a good potential for higher fertilizer prices by spring.

We are coming off a very good crop in most areas of our company. I would stress to continue to make sure you fertilize keeping in mind how much P and K was pulled out of your ground from the crop this year.

Our salesmen will be able to help you plan for 2021 using our Farm Planning program. Make sure to contact them to continue to make good agronomic decisions for 2021.

Thank You!

AGRONOMY

Matt Schofield - Agronomy manager - Central Region



With the anticipation of Christmas being right around the corner, it is a tremendous relief to know that we all have another growing season and harvest behind us. This is hopefully an exciting time of year for everyone to be enjoying time with family as much as possible. I also believe it's an exciting time to be involved or to be a part of production agriculture and a member of Synergy Cooperative. We all know things move up and down, usually faster down then up in the world of agriculture but I believe the future looks bright and it continues to hold promise as we move forward into 2021 and the years to come.

First and foremost is the fact that the world population continues to grow and the demand for food goes up not only as the population grows but as diets around the world change. The population is predicted to grow from 6.9 billion people in 2010 to 9.2 billion people by 2050, a 25% growth. At the same time, that population is on the rise, our tillable acres in the U.S are decreasing every day. We are losing an estimated 1,051,200 acres per year. While at the same time the American farmer produces more food than ever to feed the world on less farmland. In 1950 farmland per person was 1.25 acres, today it amounts to half an acre per person.

These are a few of the reasons why agriculture has a bright future and why it is a great time to belong to Synergy Cooperative. Synergy Cooperative has been providing services to many of our communities since the 1930s and will continue to do so for years and generations to come. We provide the best service around not only in agronomy but in feed, fuel, propane, repair services, and convenience stores to name a few of the things we do for not only our producers but as well for members of our communities. We provide expertise with our professional sales teams and multiple lines of products to provide you with the opportunity to choose the best product from multiple lineups from multiple companies. An example of this is we provide you with five brands of seed to choose from, not just one. With this, we can place the right seed in the right place and not have to make sacrifices of only having one option.

Synergy Cooperative has been and will continue to be an extremely strong part of our agriculture community like no one else can as we return dividends to our patron members and support other activities within our communities and schools.

Thank you for your support and Merry Christmas.

VISIT OUR WEBSITE

WWW.SYNERGYCOOP.COM


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[Cash Bids](#)
[Employees](#)
[Home](#) [About Us](#) [Departments](#) [Open An Account](#) [Locations](#) [News & Markets](#) [Grain Offer System](#)


GRAIN

Jerry Bates - Grain Manager



As we approach the end of the year and fall harvest 2020 is in the bin, it is time to start working on a marketing plan for 2021 crops if you haven't already. Revenue Protection Insurance can be a valuable part of this process. One of the biggest reasons that producers shy away from forward contracting is the fear of not producing a crop. Understanding what RPI is will help you overcome this barrier. (For this example, we are using corn as the commodity).

Basics of RPI:

- It is based on guaranteed revenue per acre.
- The price portion of the guaranteed revenue is the average of December corn futures during the February ("Spring Price") or October ("Fall Price") of the harvest year. The higher of the two prices is used for the guaranteed revenue calculation.
- RPI's premium is based on the percentage of coverage that you desire of your APH (Actual Production History). You can purchase coverage from 50% to 85%; premiums of course increase with the percent of coverage.

Why is RPI important to my marketing?

The biggest reason is at the end of February you can know the least amount of revenue your farm is going to produce, which gives you the freedom to contract at higher values than that through the spring/summer rallies, without fear of non-delivery or the prices being higher at harvest. Remember if the December Corn Futures price average for October is higher than February your guarantee will be based on the Fall Price.

Some things to consider with RPI:

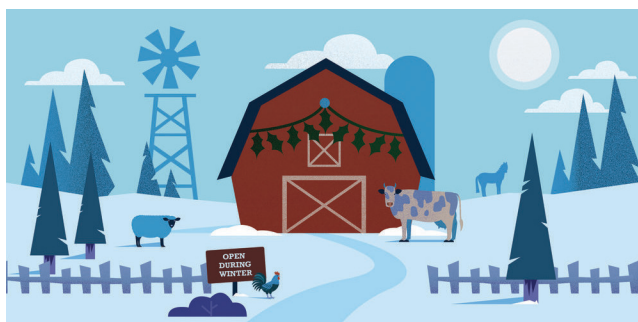
- How much premium do I want to spend?
- What level is the best return on my money? (For example, the premium will almost double from 80% coverage to 85% coverage, but many producers find the cost is worth the added benefit)

AND WHY IT IS IMPORTANT FOR YOUR MARKETING PLAN

The greatest benefit of RPI is that it frees the producer to forward contract grain with a backstop against crop failure or the price spiking at harvest after they have forward contracted at lower values. Keep in mind that you are only protected on the percentage of your APH you bought, so forward contracting above that percentage means you have exposure to non-delivery consequences in a crop failure event.

Please sit down with your elevator personnel to discuss further. We would also like to thank you for your patronage this past year and your continued support in the future.

We wish you and your family a very merry Christmas from the team at Synergy Cooperative.



CONVENIENCE STORES

Troy Strand - C-Store Operations Manager



COVID-19 Impact

As the convenience channel faces the ongoing effects of the COVID-19 pandemic, we are being tasked more than ever with following the trends and adapting to changes. As the number of coronavirus cases grows, shoppers are feeling like they need to take precautions, and these take different forms and levels of execution. Mandatory face coverings for all employees was one of these changes. We also provide disposable face coverings for our consumers.

Not surprisingly, sales inside the store are being impacted by shoppers' changing behaviors. The industry lost about one out of five transactions in the second quarter. Our customers are doing a lot of stocking up — we are seeing larger basket sizes — but a lot less travel than we are used to seeing. When we think about the overall impact, and the meaningfulness of the inside and foodservice, we depend on those merchandise categories to fill that void that self-service dispensed beverages and self-service foodservice have left. Those key categories include tobacco, alcohol, packaged beverages, candy, and snacks, which in total make up about 70 percent of inside sales.

Contests

We had a couple of fun sales contests between our convenience store locations this summer. We partnered with Smith Brothers Meats & Cheese. The first contest was fresh cheese curds. Congratulations to Sue and her team in Turtle Lake for winning the \$300 prize. Our Second was meat snacks. Theresa and her team did an amazing job and brought home the Green Mountain pellet smoker grill! All prizes were donated by Synergy Cooperative and Smith Brothers.



Our New Location in Cumberland



Our new location in Cumberland is scheduled to open prior to New Years. Ryan Holdt will be our manager. He decided to take on this challenge and leave our Shell Lake location. The new location will have all the offerings from Hot Stuff Pizza, Chix Chicken, large truck fueling and parking, bait & tackle, alcohol, and many other convenience items. You can also take advantage of our great loyalty offerings. Replacing Ryan in Shell Lake will be Josh Jacobson.

Josh was Ryan's assistant manager and has been at the Shell Lake location for over three years. Stop in and see Josh and congratulate him on his new position.

We have 14 locations stretching from Menomonie to Shell Lake and from Turtle Lake to Rice Lake. No matter where you find yourself in Northwest Wisconsin we are just around the corner and ready to serve you. Lunchtime hunger pains? With options like freshly made pizza, chicken, and sandwiches at many stores we have you covered. Out doing some fishing? We have live bait and cold beer at several locations. And as always, we have top tier Cenex gasoline and premium diesel to help keep you on your way.

MACHINERY

Season's Greetings from the Machinery Department!

As interesting as 2020 has been, business here has been great! We are having a record year with LS Tractor, and as a company, they have broken many records for sales. Along with having great LS sales here, skid steers and attachments have been popular items.

Sales on snowblowers have picked up for both three-point and walk-behinds. We are stocked up and ready for the snow on both styles!

Something new and exciting has recently taken place in the lawn and garden department! We are now carrying a new vendor – Altoz – to go with our Country Clipper mowers. These are zero-turn mowers based out of Greenbush, Minnesota. "Tackle big jobs and harsh terrain with ease." These mowers are tracked! Stop in and check these beasts out.



Now is a good time to step in your shed and do a quick check over on your spring and summer tillage, planter, and hay equipment. If anything needs repairs, get in touch with us so we can get you scheduled and ready to go. Also, be on the lookout for more information on spring parts pre-season orders. It won't be long and spring will be here.

Lastly, we will be doing a special on all "In-Stock" LS Tractors during December. This will be on an individual basis depending on models. If interested, stop in or give Bruce a call at (715) 308-7683 for more information.



**From all of us here at Synergy Machinery,
Merry Christmas and Happy New Year!**

**Roger, Duane, Bruce, Jeff, Missy, Kylie,
Faron, Albert, Brian, Gene, Al, & Jeremy**

HARDWARE

With winter months here our three Hardware Stores have a great selection of supplies for you, such as snow shovels, ice melt, heat tape, furnace filters, and heaters. So stop in and see what we have available for you. Looking for a special gift for a special one we have that too. Don't forget L.P. for the fish shack.

Thank You for Your Business.

**Happy Holidays from Rice Lake, Ridgeland,
and Colfax Hardware Stores**



SERVICE STATIONS

It's time to get your vehicle checked over and ready for winter by having one of our five Service Stations help you out. We can check your antifreeze, oil changes, filters, batteries, transmission, tire, and everything else you need to get done. We have a great section of car and truck tires available for you.

We also have on the Farm Tire Service, with tractor and implement tires available.



**Thank you for Your Business.
From All of Us to All of You
Happy Holidays**

CREDIT DEPARTMENT

The Credit Team - Diane Kuhl and Bobbi Demers



Recipe for a New Year

Take 365 days, trim off all the old memories of 2020. Soak and wash thoroughly in plenty of LOVE and KINDNESS. Cut these days into 12 parts, Cooking only one day at a time.

Be sure the fire is hot with ENTHUSIASM and your kettle is bright with HOPE. Season each kettleful with some KINDNESS for others and add PATIENCE, for small trials that come up every day. Add a little EARNESTENSS and WILLINGNESS. Serve with a SMILE and plenty of heartwarming joy.

Christmas blessings and Happy New Year to our Synergy families near and far.



EDITOR'S NOTE

Amber Dwyer - Marketing and Special Projects Specialist

Holiday Greetings to you all! With this edition of our Newsletter we wanted to keep it lighthearted and cheery as we all know how hard of a year 2020 has been, we hope that you were able to smile at least once throughout this newsletter.

In an effort to help people in 2020, Synergy Cooperative was able to donate 5.25 tons of cheese to local food pantries and school districts. Below is the article that was featured in CHS's C Magazine.

"CHEESE FOR GOOD"

In March 2020, as the COVID-19 pandemic closed schools and restaurants across the country, demand for milk shrank and milk prices plummeted. By May, Dairy Farmers of America estimated that farmers were dumping 3.7 million gallons of milk every day.

The news hit close to home for Amber Dwyer. As marketing and special projects specialist at Synergy Cooperative in Ridgeland, Wis., she interacts every day with the co-op's dairy farmer-owners. "We always have the farmers' best interests in mind," Dwyer says. "We wanted to figure out the best way to make an impact for our owners during this hard time."

The idea: Cheese for a Greater Good. "If we could pull cheese from local dairy co-ops," says Dwyer, "the farmers that we also service wouldn't have to dump milk." Dwyer connected with Kristin Huset, the Ridgeland village clerk. Huset helped Synergy buy the cheese tax-exempt from Ellsworth Cooperative Creamery and Burnett Dairy Cooperative, then Synergy employee volunteers distributed the cheese to local food pantries and schools.

Most of the cheese went to Feed My People Food Bank in Eau Claire, Wis., which distributes food to local food banks. Cheese was also donated to the Chetek-Weyerhaeuser school district. More than 3,000 pounds of cheese curds and 7,500 pounds of shredded mozzarella were donated to help residents in 14 Wisconsin counties.

Synergy Cooperative owners, many of whom also do business with local creameries, are used to their products going to schools, as the National School Lunch Program is the largest buyer of milk. "Our farmers were happy knowing their dairy products were continuing to serve schools and families in need," says Dwyer.



A NOTE FROM THE OFFICE

The Controller Group - Enid Jackson - Becky Norris - Alicia Streich

We wish you a Merry Christmas and a Happy New Year. Here is a Christmas story we hope you enjoy.

A Farmer's Night Before Christmas

By: Jo Hart (2011)

'Twas the night before Christmas and out on the farm, Not a creature was stirring in stable or barn. The hats were all hung after a long day of sowing, And just like the song, the cattle were lowing.

The chickens were nestled in roost boxes of straw, The dog was snoozing by farmer's front door. Both farmer and wife sat out in the yard, Relaxing with cans after working so hard.

When out in the paddock there was stomping of hooves, "Sounds like the cattle are on the move." With one final swig, farmer rose from his chair, Wondering what gave his heifers a scare.

The pink and gold sky gave just enough light, For the farmer to see a very strange sight. An eight-cattle drove pulling a ute, With a roaring V8 and a tray full of loot.

The driver's tanned arm propped up on the door, It had to be Santa, the farmer was sure. Kicking up dust his Friesian steers came, And he whistled and shouted and called them by name,

"On Sausage, on T-Bone, on Rissole, on Stew, On Schnitzel, on Beefy, on Rump Roast, on Moo. To the top of the hayshed; to the top of the dairy, Get moving you bullies, stop acting like fairies."

Then with a bang they crashed on the roof, The tin rumbled like thunder under each solid hoof. In through the screen door the farmer did race, As Santa squeezed out of the old fireplace.

He was dressed in a singlet and blue stubby shorts, His blundstones were covered in dirt of all sorts. His skin was all wrinkled and brown as the earth, He had a belly of considerable girth.

The beard on his chin was white as a lamb, And the smile on his face as wide as a dam. He gave farmer a wink and a thumb in the air, Then offloaded the pressies and got out of there.

He jumped back in his ute and spurred on his team, The engine grunted and purred like a dream. He was heard to yell out as he drove out the gate, "Have a ripper Chrissie and bonza new year, mate."





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