

LIFE IN THE VALLEY

Q1 - October 2018

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A LETTER FROM OUR CEO

Dave Holtom, Chief Executive Officer
Valley Wide Cooperative



I'm especially excited about this fall's edition of "Life in the Valley." The article was written by Emma Fox regarding the life, influence, and passing of JR Churchman, former manager of Valley Coops. It is a great piece, and I trust you will find it interesting as well. It's a solid reminder to me that what Valley Wide Cooperative today is the result of many other managers like JR that put everything they had into running and growing their local Cooperatives. Valley Wide is not only the result of a cooperative effort and support of customers, producers, and ranchers but the cooperative effort of many managers before me...and long after me. Men like Dale Wynn of Madison Coop, Steve Sanders of United Coop, Donn Boredewyk of Valley Coops, Jack Ingram from Producers Supply, Bruce Hunter of Nyssa Coop and Steve Hinkley of Franklin County Grain Growers. Valley Wide is an aggregate of all those companies built by those people mentioned and their employees, and we enjoy the fruits of their labors. Not to take away from the hard work of our current staff who has contributed to our success, but we all, to some extent, are tilling the ground where someone tilled before us.

August marks the end of our fiscal year, and Valley Wide is wrapping up its books as we speak. In summary, we had an excellent year where consolidated sales will come in at well over \$500 million--a new record for your Cooperative. Of that, \$280 million was attributed to Valley Agronomics of which we are 54% owner. Sales for our Retail Division were up almost \$20 million primarily due to the addition of our Twin Falls Crossroads facility. Despite having the warmest winter in recent history, our Propane Division was up \$5 million in sales and continues to grow. The Refined Fuels Division was also up \$13 million over the previous year. We look at sales growth, not as the scorecard, but the result of increased customer volume, higher market share, improved customer satisfaction and the result of hard work by our employee team.

Along with sales growth, we saw earnings improve substantially for all divisions as well. We experienced a year where sales grew, margins grew, and expenses remained flat. That equals improved earnings.

Because we had a nice recovery in our earnings level, your Board will be anxious to resume our Equity Revolvment Plan. This Plan will be in addition to the annual patronage distribution payout. Look for an announcement at the District Meetings this January. In summary, thank you for your continued support of Valley Wide and Valley Agronomics. Your Board and management team will continue to work hard to ensure that we live up to our Vision -- "To be the company of choice in all the markets we serve."

CHAIRMAN'S MESSAGE

Adam Clark, Board Chairman
Valley Wide Cooperative



It's hard to believe that another season is coming to a close. It seems like just yesterday that the snow was melting off the ground, the grass was starting to turn green, and the equipment was being pulled out of the shed and being prepared for the field. From that point until now has been a blur, at least for me. Now harvest is just beginning, is currently underway, or is behind us, depending on where you live. I say this because Valley Wide now serves members in Idaho, Wyoming, Utah, Nevada, Oregon, and southern Washington. Throughout that geography the crops are largely diversified and the growing season greatly differs. The culture in the different communities the cooperative serve is also different. Despite that, Valley Wide strives to serve and meet the specific needs of farm supplies, fuels and lube, propane, feed, and agronomy in those communities we serve.

The Cooperative system is a great system because it is owned by the people it does business with. The board of directors are elected by the members of the cooperative to represent the members' interests. The board consists of farmers, ranchers, and agribusinessmen that live throughout varying communities that Valley Wide serves. Right now, the board consists of 10 board members; two from district one, five from district two, and three from district three. Each director serves for a three-year term, with a term limit of four. Though each director helps make decisions for the company as a whole, we hope to be a resource in the districts we reside. We do this by observing Valley Wide's local operations and listening to the needs of the local members. Each of us can then discuss in our board meetings the specific needs of the different locations and give direction to management to ensure the highest standard of service in meeting the needs of our members.

Each year elections are held for directors. Last election we tried something new with mail ballots. Ballots for the specific elections in your district were mailed out to voting members several weeks prior to the annual meeting. Ballots were mailed back and results were tallied and presented at the annual meeting. Overall, it was very successful. Each race last election was also contested and we would like to see that continue. If you are a voting member in good standing and would like to represent the members of the cooperative, or know of someone that meets the qualifications and you think would do a good job, please contact a board member in your district. Even though we are still months away, with the time it takes to prepare and mail the ballots, I would recommend filling out your application early. Before we know it, all the crops will be harvested, the land tilled, snow will cover the ground, and the annual meeting will be upon us. I hope everyone has a good and safe harvest.

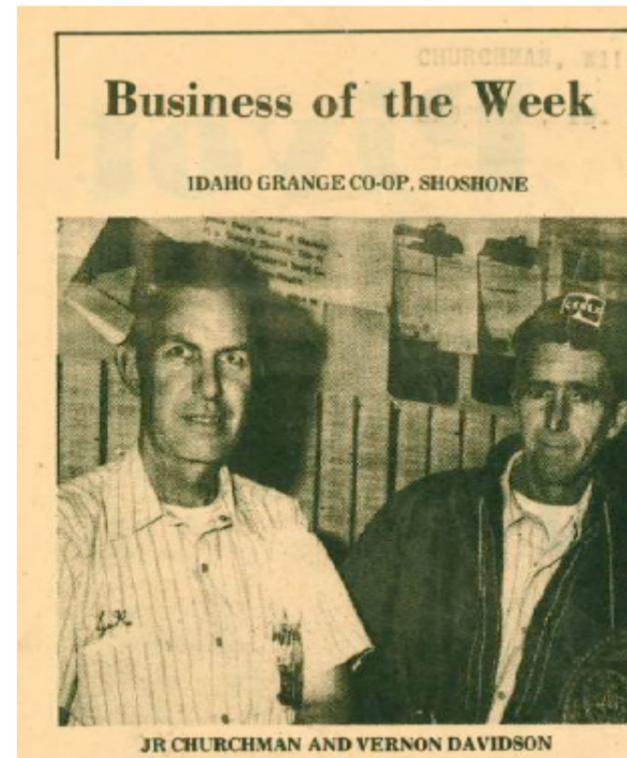
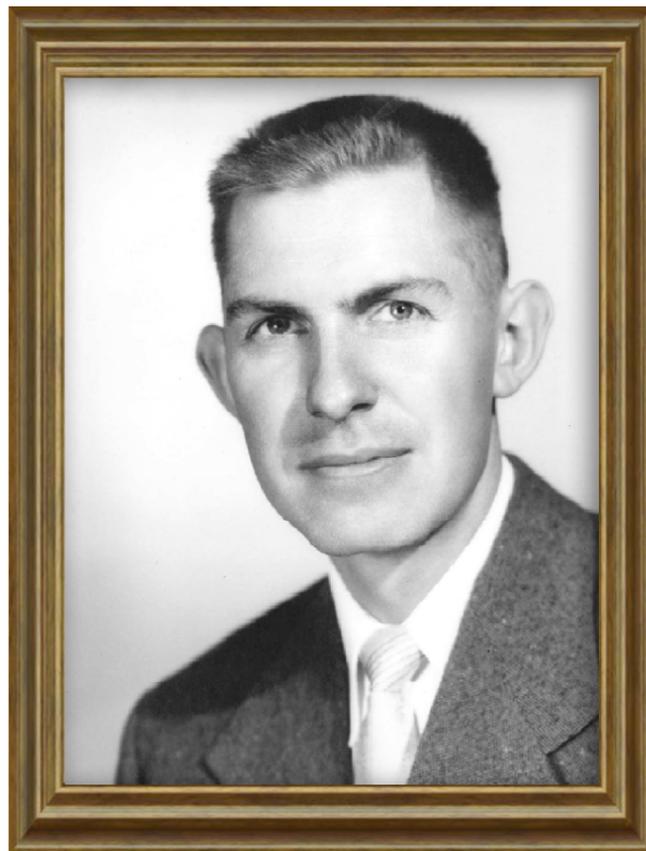
A Tribute To JR Churchman

On July 3rd, 2018, Wilson Churchman came home from a day of visiting the senior center and sat down in his chair after having dinner with his wife Virginia. As was his evening routine, he went into the kitchen to fix a cup of tea, and upon returning to his chair, passed away peacefully. He was 90 years old last November.

Wilson F. Churchman (known to friends and family as "JR") was born November 19th, 1927 and grew up in Jerome, Idaho where he worked in the family automobile business and drove a school bus during high school before joining the Navy near the end of WWII. After about a year in the Navy, he attended the University of Idaho where he studied engineering and business. He then returned to Jerome to work in the family business, Churchman Motors, as the Service Manager, working hard to support his big family and spending time with his children whenever he had time off.

JR was a respected businessman in the communities of Jerome and Shoshone, Idaho. In 1960 he moved to Shoshone to make or break the Idaho Grange Wholesale, which later became Idaho Grange Co-Op and eventually merged with Valley Wide Cooperative. At the time, the business wasn't doing very well, and the Board of Directors told him that if he couldn't make money he was

to close the doors. Although he didn't make much the first year, he did make money and successfully grew the Co-Op over the next 33 years until his retirement in 1991. "Churchman deserves considerable credit for taking hold of business with 'feet up' and turning it into a profitable organization," quotes Vernon Davidson, Shoshone store manager, in a 1974 Lincoln County Journal article.



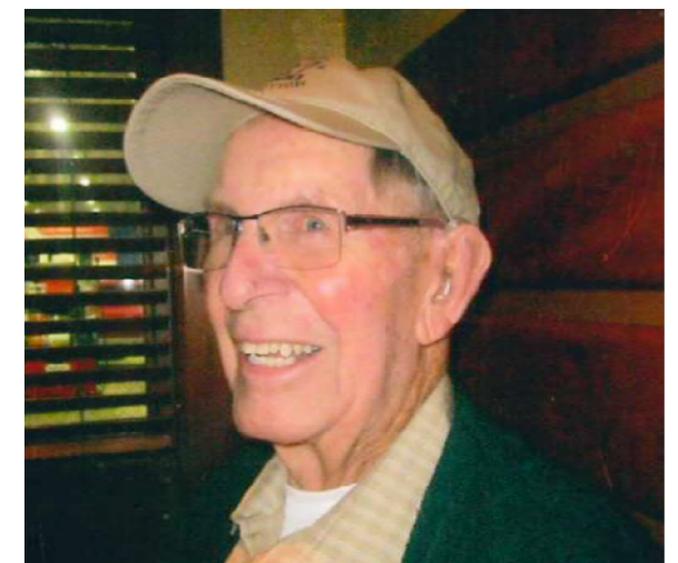
Churchman & colleague Vernon Davidson in the Lincoln County Journal - 1974

JR strongly believed in the importance of volunteering and supporting the community. During his lifetime he volunteered for 4-H, Chamber of Commerce, Jaycees, City Council, and Rotary Club (he was a Paul Harris Fellow). He helped build the gazebo in the Shoshone Park and the 4-H Camp near Sun Valley and took part in many community events during his lifetime.

He also served on the Shoshone City Council and was Mayor of Shoshone for several years. After retiring, he began a life of travel, golf, cards, and Golden Years Senior Center involvement, but his dedication to the business and his community never waned, and he stayed available to the Co-

Op as a consultant. "He liked to attend the sales meetings to see how they were doing," his wife, Virginia, said in an interview. "He would also stop by City Hall occasionally to find out if anything was going on in the city."

A whole is greater than the sum of its parts, and ultimately Valley Wide Cooperative is made up of multiple community farming cooperatives. These cooperatives formed by hardworking members who care about their families and communities and their contributions form the backbone of who we are as a company. We believe people are the heart of a business. After all, it is the people who go the extra mile to make things happen, and JR Churchman was one of those many individuals who helped create a piece of the strong foundation that made Valley Wide Cooperative successful today.



Churchman cracks a smile on his 90th birthday, November 2017

GOT A STORY TO SHARE? WE'D LOVE TO HEAR ABOUT IT. CONTACT US @
TellUsYourStory@ValleyWideCoop.com



WHY SUBSCRIBE TO PLATINUM PRECISION?

By **Connor Lankford**, Precision Ag Manager
Valley Agronomics LLC

When Valley Agronomics created the Platinum Precision subscription in the fall of 2016 for the crop year 2017, it was in response to a known need to help Co-op patrons and customers cut through the noise that was buzzing in the marketplace surrounding Precision Ag. With so many ag tech tools on the market, finding pieces that solved actual problems and were valuable to a grower in Idaho, Utah, Oregon, or Washington, was no small task.

The Platinum Precision subscription was innovative in several ways; it packaged multiple precision ag offerings together, things such as, farm management software and satellite imagery. These were not commonly done at that time, and at a price that was affordable for operations both big and small—moving away from the traditional per acre price model. Reception to the Platinum Precision subscription the first year was excellent, with nearly 200 growers signing up for the new service.

In 2017, Valley Agronomics continued to offer its Platinum subscription but introduced more flexibility by allowing growers to trade certain aspects of the offering for options that were more relevant to their needs and operations for the 2018 crop year. Also, in 2018, Valley Agronomics focused on improving service levels and now provides new software as part of the Platinum subscription.

Precision Ag Manager Connor Lankford says, “By visiting with Platinum Precision customers; we discovered that it wasn’t enough to supply data and software to our customers, but that we needed to provide expertise on how to use the software to help growers analyze their data and get the full value of the subscription. It was a team effort that involved agronomists, precision specialists, and growers that made a real difference on the farm.”



SIGN UP FOR VALLEY AGRONOMICS 2019
PLATINUM PRECISION SUBSCRIPTION @
[ValleyAg.com/Precision-Ag/Platinum-
Precision-Subscription](http://ValleyAg.com/Precision-Ag/Platinum-Precision-Subscription)

As the 2019 crop season approaches, Valley Agronomics is looking forward to growing Platinum Precision subscriptions as service continues to improve. Delivering more value to growers through our commitment to innovation will be a driver for Valley Ag 2019,” states Lankford. “2018 was another great learning year for us technology-wise. We continue to identify the things that matter to growers, things such as, GAP reports, budgets, field-by-field ROI reports, worker protection, restricted entry posting, variable rate PGR, lime applications in Oregon, variable rate fertilizer and soil amendment applications in Idaho and Utah, among other things.”

With that said, “We are excited to introduce several new options to our Platinum 2019 subscription,” explains Lankford. New options in banking, soil moisture monitoring, water stress detection, and corn yield forecasting. These new options will allow us to continue to find and refine solutions that matter to growers, while at the same time allow growers to continue to get what’s important to them that will bring added value to their operation,” concludes Lankford.

The sign up period for Valley Agronomics 2019 has opened. Talk to your crop advisor today or visit us at the URL link listed above.

STANDING STRONG AT CROSSROADS

By **Jeff Jones**, Head of Retail - Valley Country Store

With the close of our first full fiscal year at our Crossroads Travel Plaza location, I would have to rate the overall location a resounding success. In only its first full year of operation, Crossroads was our number one location in total sales dollars, total fuel gallons, food sales, and convenience store sales. This great Valley Country Store location along I-84 offers convenient, easy in-and-out fueling for cars, trucks, campers, RVs, and large trucks, and a full fuel offering that includes premium non-ethanol fuel and diesel exhaust fluid at the pump. Inside the store has all your travel needs from food and drink, to souvenirs, to travel accessories, and spacious, clean restrooms. If you are traveling across southern Idaho and need a break, stop in and see us at our Crossroads Valley Country Store location I-84 exit 173.



FEEDING OUR COMMUNITIES

By Emma Fox, Marketing Relations
Valley Wide Cooperative

As an organization that grew from the hard work and cooperation of farmers, Valley Wide Cooperative is dedicated to eliminating hunger in the many communities it serves. According to United States Department of Agriculture, 40 million people lived in food-insecure households in 2017. Family food insecurity in rural America also exceeds that in cities and suburbs. The CDC states that only 1 in 10 adults get enough fruits or vegetables, and it's likely that even fewer living in poverty meet the recommended daily intake. It may be regarded as a small thing to miss your vegetables, but a poor diet quickly leads to poor health, and if you're already struggling to make ends meet, it leads to an increase in the poverty cycle and chronic disease risk.

Two hunger-relief organizations, Thayne Community Food Bank and Afton Food Pantry are looking to improve the quality of their services by requesting refrigerators for their programs. Currently, patrons utilizing the emergency food pantry are unable to receive fresh food items such as vegetables, fruits, eggs, and low-fat dairy products due to the absence of refrigerator storage at the facility, and lack of healthy donations. Valley Wide Cooperative is donating \$2,000 to each organization for the purchase of refrigerators with glass front displays which will allow patrons to see what fresh foods are available easily. Both non-profit organizations are partnering with local grocery stores to provide fresh produce and will now be able to properly house the healthy donations that come from community gardens, local farms, gardeners, and private donors.

"We are looking forward to a glass front display to highlight healthy food already coming our way," stated Julie Buckley of Thayne Community Food Bank. They hope to see more healthy food donations come their way because of the added storage.

"Winter is our busy season, so the timing is perfect!" says Sierra Mitchell of the Afton Food Pantry. "The number of Patrons start to increase during the fall and winter months. Many factors cause that; Seasonal work is over, layoffs start to happen, cold weather means heating bills, and families start to prepare for the holiday months." To date, Afton Food Pantry has helped over 524 different families with food assistance in Lincoln County and currently serve an average of 15 different families every Thursday night.

Both Thayne Community Food Bank and Afton Food Pantry expressed appreciation to Valley Wide Cooperative for this donation. They, along with all of us at Valley Wide, also want to thank Shelley Balls of Centsible Nutrition/Wyoming Extension for submitting a grant request. With access to healthy options, families and communities grow as a result. A healthy diet affords people a better ability to ward off illness, decreasing their need for health care, sick time, and improving their ability to function within society. With this donation, both organizations can take the first step in offering fresh food items to the participants with refrigerated storage.



SCHOOL DISTRICTS MOVE TO PROPANE-POWERED SCHOOL BUSES

Grace School District in Grace, Idaho, was one of the first districts to purchase a propane autogas school bus with help from Valley Wide Coop back in 2016. The propane autogas bus, which runs a 150-mile-per-day route, has not only reduced nitrogen oxide emissions by over 1,500 pounds and almost 32 pounds of particulate matter each year compared with the diesel bus it replaced; it has saved the district thousands since making the switch.

"Whether it's one bus or 100, no matter the size of the fleet, school districts are using propane autogas buses to significantly lower operating costs, maintenance costs and emissions," said Brian Carney, group account director for ROUSH CleanTech.

As Grace School District blazed the trail, others like Mid-Columbia Bus Company of Twin Falls have jumped onboard allowing propane to drive their buses forward. Vice President of Valley Wide Energy Department Greg Maps explains, "This customer already had propane buses but really liked

the value-added service we provide. We switched out the dispensers and added state-of-the-art digital propane dispensers with fleet management software which allows them to monitor fuel consumption. Our Energy department is notified, and their tanks get filled without request."

A recent U.S. Department of Energy case study highlights five school districts in Texas that used propane-fueled school buses successfully. Fleets are saving up to 50% on a cost per mile basis for fuel and maintenance relative to diesel, they require less-frequent oil changes, less-complicated emission control systems and save between \$400 and \$3,000 per propane bus per year, depending on fuel prices.

As Idaho's largest propane supplier, Valley Wide Cooperative's propane division continues to focus on the needs of all customers whether it is to warm up homes across the Northwest or help businesses cut costs.

LOOKING FOR A DONATION, GRANT, OR SPONSORSHIP? APPLY @
ValleyWideCoop.com/GivingBack

IT'S NOT TOO LATE TO TOP OFF YOUR PROPANE TANK BEFORE THE TEMPERATURE DROPS! TAKE ADVANTAGE OF VALLEY WIDE'S REDUCED RATE FOR FALL. FIND YOUR LOCAL VALLEY WIDE ENERGY LOCATION @
ValleyWideCoop.com/Energy/Fuel-Locations

NEXT GENERATION PRODUCERS



DECEMBER 10-11th, 2018

CORNERSTONE FOR ENGAGEMENT

Join us at the beautiful Sun Valley Lodge! Cornerstone for Engagement provides Land O' Lakes and Valley Wide Members with an in-depth view of their Co-op and sets a path to developing the skills needed to lead their businesses and coepratives.

WHAT TO EXPECT

- Learn about the cooperative system and its benefits
- Network with peers
- Identify opportunities to get involved with the Cooperative

Participation is limited to 15 couples. If interested, please contact your local agronomist or email us @ Cornerstone@ValleyWideCoop.com.

BOARD ELECTIONS

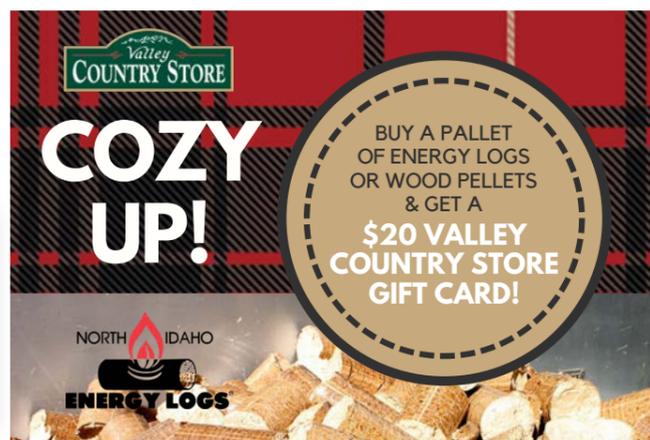
This year, District 2 and 3 will have an election for the Board of Directors. Carl Pendleton and Jim McCall from District 2 are both seeking re-election. Adam Clark from District 3 is also seeking re-election. The Board encourages contested elections, so if you are interested running or learning more about the process, please contact us at:

Dave Holtom, CEO
(208) 390-3078

Adam Clark, Board Chair
(208) 881-8980

Brad Barnes, Accounts Mgr
(208) 324-8000

BecomeABoardMember
@ValleyWideCoop.com



THERE'S NOTHING BETTER THAN A LOYAL CUSTOMER

Mr. Mike Irish has been a regular patron of our Co-Op since 1981. When asked what makes him stay with Valley Wide so long? His response, "Convenience." Mr. Irish explains that our Co-Op meets many of his needs and buys from all facets of the company including propane, drip oil, and vet supplies he finds at his local Buhl Farm Store, a store he regularly frequents. "I like the convenience of shopping local," Mr. Irish explains.

Mr. Irish also uses Valley Ag for many of his agronomy needs and speaks highly of his crop adviser, Tim Askew, whom he relies on to monitor his crops. Mostly, he says, he enjoys the versatility that comes from Valley Wide's Energy Division, namely the seemingly unlimited use for propane, a fuel he has come to rely on both in the home and at work. He enjoys the clean-burning heat that his propane fireplace provides for heating his house.

His propane grill is piped into his main gas line to provide hassle-free grilling never having to worry about running out of gas while cooking outdoors. Mike also uses the radiant heat for his employees during the winter months in his shop while he's maintaining equipment or saving money doing "in-house" repairs.

Through its four divisions that make up the cooperative, Valley Wide's goal is to benefit as many people as possible. Our purpose is to achieve outcomes that our membership wants our coop to achieve on their behalf. These achievements not only include socio-economic outcomes, but also integrity, excellence, respect, accountability, community, and teamwork.

Mike is one of Valley Wide's most loyal customers. Thank you, Mr. Irish. Valley Wide appreciates your business.



Save the Dates:

Tuesday, January 29th - Nampa Civic Center, Nampa

Wednesday, January 30th - Canyon Crest, Twin Falls

Thursday, January 31st - Shiloh Inn, Idaho Falls

Join ValleyWide Mobile Rewards

Text
**VALLEY
WIDE**
to **888111**



iFakeTextMessage.com



Get \$5 off when you spend \$30 at Valley Country Store AND be entered to win a \$100 gift card!

REWARD. REDEEM. REPEAT.

CORNER CRAVINGS

SMOKED TURKEY

RECIPE

PREP TIME - 30 MINS COOK
TIME - 7 HRS

SERVES : 6 - 8 HARDWOOD:
PECAN

INGREDIENTS

1 12 TO 16 LB. FRESH OR
FROZEN TURKEY, THAWED (ALL
GIBLETS REMOVED)
3 GALLONS WATER
1 CUP TRAEGER BBQ RUB
1 CUP SUGAR
1-1/2 TBSP. GARLIC, MINCED
1/2 CUP WORCESTERSHIRE
SAUCE
2 TBSP. CANOLA OIL

PREPARATION

Plan ahead! This recipe requires
brining overnight.

Ensure the turkey is fully thawed
and remove any giblets.

Pour 3 gallons of water in a 5
gallon non-metal bucket. Add
Traeger BBQ rub and mix until
completely dissolved. Next add
garlic, sugar, and Worcestershire
sauce.



TRAEGER®

Place in bucket, breast side
down into brine. Make sure that
turkey is completely submerged
in liquid. Cover bucket and place
in refrigerator overnight.

Remove and pat dry. Rub canola
oil over entire outside of turkey
and place breast side up into
disposable aluminum roasting
pan.

When ready to cook, start Trae-
ger grill on Smoke and open lid
until fire is established (about 5
minutes).

Leave grill on Smoke and
place the turkey on the grill and
smoke for 2 1/2 to 3 hours.

Switch setting to 350 and cook
for 3 1/2 to 4 hours, or until inter-
nal meat temperature reaches
approximately 170 degrees.

Remove from grill and allow to
rest for 15 minutes before slicing
and carving.