

# FY2023 ANNUAL REPORT

# OUR MISSION

To be a trusted partner for the high-quality, dependable products, services and insights that help those who count on us to achieve their goals.

# OUR VISION

To provide sustainable solutions and exceptional service that enable current and future generations to achieve success.



Winthrop, Minnesota

# CONSOLIDATED FINANCIAL STATEMENTS August 31, 2023

# **Officers and Directors**

<u>Name</u>	<u>Address</u>	<u>Term Expires</u>	Position
Jeff Manderscheid	Olivia, MN	2025	Chairman
Todd Kettner	Winthrop, MN		Vice-Chairman
Tyler Stehr	Winthrop, MN		Secretary/Treasurer
Kevin Lindeman	Brownton, MN		Director
Jeff Franta	Lafayette, MN		Director
Ryan Mackenthun	Brownton, MN		Director
Kurt Martens	Gaylord, MN		Director

# Management

Mitch Altermatt ...... CEO/General Manager

# CONSOLIDATED BALANCE SHEETS August 31, 2023 and 2022

### Assets

Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  -    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  8,682,256  847,133    Intangible Assets  -  10,983    Total Other Assets  8,682,256  847,133		2023	2022
Receivables    66,603    66,603      Current Portion of Notes Receivable    66,603    66,603      Trade – Net of Allowance for Doubtful Accounts of \$1,442,814 (2023) and 1,447,302 (2022)    14,359,697    15,170,378      Grain in Transit    1,779,279    2,467,510    2,467,510      Other    1,941,095    3,054,899      Margin Accounts    3,484,971    7,359,558      Inventories    3,484,971    7,359,558      Grain    4,079,120    5,135,819      Agronomy    12,866,645    25,156,228      Feed and Farm Supply    12,799,055    8,962,703      Energy    1,479,578    1,816,034      Prepaid Inventories    2,322,230    4,649,230      Prepaid Inventories    2,322,230    4,649,230      Prepaid Inventories    2,32,2715    76,009,287      PROPERTY, PLANT AND EQUIPMENT    Land    5,918,995    5,921,088      Land Improvements    13,105,450    13,671,643      Buildings and Equipment    82,554,811    84,968,950      Accumulated Depreciation    (51,485,654)    (56,010,073			
Current Portion of Notes Receivable    66,603    66,603      Trade – Net of Allowance for Doubtful Accounts of \$1,442,814 (2023) and 1,447,302 (2022)    14,359,697    15,170,378      Grain in Transit    1,779,279    2,467,510    0      Other    1,941,095    3,054,899      Margin Accounts    3,484,971    7,359,558      Inventories    3,484,971    7,359,558      Grain    4,079,120    5,135,819      Agronomy    12,866,645    25,156,228      Feed and Farm Supply    12,799,055    8,962,703      Energy    1,479,578    1,816,034      Prepaid Income Taxes    2,322,230    4,649,230      Prepaid Expenses    1,152,428    1,121,730      Prepaid Income Taxes    282,097    -      Total Current Assets    79,232,715    76,009,287      PROPERTY, PLANT AND EQUIPMENT    101,579,256    104,561,643      Land    5,918,995    5,921,088    12,045,516      Accumulated Depreciation    (51,485,654)    (56,010,073      Undepreciated Cost    50,093,602    48,551,608		\$ 22,619,917	\$ 1,048,595
Trade – Net of Allowance for Doubtful Accounts of \$1,442,814 (2023) and 1,447,302 (2022)  14,359,697  15,170,378    Grain in Transit  1,779,279  2,467,510    Other  1,941,095  3,054,899    Margin Accounts  3,484,971  7,359,558    Inventories  4,079,120  5,135,819    Grain  4,079,120  5,135,819    Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  Land  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950  104,561,681    Accumulated Depreciation  (51,488,654)  (56,010,073)  Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112  726  726    Nets Receivable  467,521  666,266  66,62,66  66,62,66  66,62,66			
\$1,442,814 (2023) and 1,447,302 (2022)  14,359,697  15,170,378    Grain in Transit  1,779,279  2,467,510    Other  1,941,095  3,054,899    Margin Accounts  3,484,971  7,359,558    Inventories  7,359,558    Grain  4,079,120  5,135,819    Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventorics  2,322,230  4,649,230    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,286  49,337,720    OTHER ASSETS  -  49,89    Right-of-Use Assets  8,682,256  847,133    Intagible Assets  -  49,89    Intagible As		66,603	66,603
Grain in Transit    1,779,279    2,467,510      Other    1,941,095    3,054,899      Margin Accounts    3,484,971    7,359,558      Inventorices			
Other    1,941,095    3,054,899      Margin Accounts    3,484,971    7,359,558      Inventories			
Margin Accounts    3,484,971    7,359,558      Inventories    Grain    4,079,120    5,135,819      Agronomy    12,866,645    25,156,228      Feed and Farm Supply    12,799,055    8,962,703      Energy    1,479,578    1,816,034      Prepaid Inventories    2,222,230    4,649,230      Prepaid Income Taxes    282,097    -      Total Current Assets    79,232,715    76,009,287      PROPERTY, PLANT AND EQUIPMENT    Land    5,918,995    5,921,088      Land Improvements    13,105,450    13,671,643    Buildings and Equipment    82,554,811    84,968,950      Accumulated Depreciation    (51,485,654)    (56,010,073)    Undepreciated Cost    50,093,602    48,551,608      Construction in Process    879,284    786,112    Net Property, Plant and Equipment    50,972,886    49,337,720      OTHER ASSETS    %    4067,521    666,262    666,262      Deferred Compensation Plan Assets    -    49,891    10,000      Intangible Assets    0ther Asssets    8,682,256    847,1			
Inventories  4.079,120  5,135,819    Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  -    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,266    Deferred Compensation Plan Assets  -  49,897    Intangible Assets  8,682,256  847,133    Intangible Assets  -  10,983    Total Other Assets  8,682,256  847,133			
Grain  4,079,120  5,135,819    Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  Land  5,918,995  5,921,088    Land  5,918,995  5,921,088  Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950  104,561,681    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,034,735  -    Right-of-Use Assets  8,682,256  847,133    Intangible Assets  -  49,891    Intangible Assets  -  10,98	6	3,484,971	7,359,558
Agronomy  12,866,645  25,156,228    Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  -    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  -  49,892    Intangible Assets  -  10,983    Total Other Assets  8,682,256  847,133	Inventories		
Feed and Farm Supply  12,799,055  8,962,703    Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  Land  5,918,995  5,921,088    Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  -  49,891    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  -  10,982    Total Other Assets  8,682,256  847,133    INVESTMENTS  -  <	Grain		5,135,819
Energy  1,479,578  1,816,034    Prepaid Inventories  2,322,230  4,649,230    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  -  -    Land  5,918,995  5,921,088    Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  -  49,891    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,265    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  0.120,000  120,000    Intangible Assets  0.104,733  -    Total Other Assets  8,682,256  847,133    Investments  0.126,353  926,353 <t< td=""><td></td><td>12,866,645</td><td>25,156,228</td></t<>		12,866,645	25,156,228
Prepaid Inventories  2,322,230  4,649,230    Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  -    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  8,0000  120,000    Intangible Assets  -  49,892    Total Other Assets  8,682,256  847,133    INVESTMENTS  -  -  10,983    Equity in Other Organizations  17,755,689  17,205,492    Investments in Other Companies  <	Feed and Farm Supply	12,799,055	8,962,703
Prepaid Expenses  1,152,428  1,121,730    Prepaid Income Taxes  282,097  -    Total Current Assets  79,232,715  76,009,287    PROPERTY, PLANT AND EQUIPMENT  -  -    Land  5,918,995  5,921,088    Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Meter Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  -  49,891    Right-of-Use Assets  8,134,735  -    Notes Receivable  467,521  666,266    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  8,682,256  847,133    Investments  010ther Assets  -  10,982    Total Other Assets  8,682,256  847,133    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042 <td< td=""><td>Energy</td><td></td><td>1,816,034</td></td<>	Energy		1,816,034
Prepaid Income Taxes    282,097    -      Total Current Assets    79,232,715    76,009,287      PROPERTY, PLANT AND EQUIPMENT    -    -      Land    5,918,995    5,921,088      Land Improvements    13,105,450    13,671,643      Buildings and Equipment    82,554,811    84,968,950      101,579,256    104,561,681    Accumulated Depreciation    (51,485,654)    (56,010,073)      Undepreciated Cost    50,093,602    48,551,608    Construction in Process    879,284    786,112      Net Property, Plant and Equipment    50,972,886    49,337,720    OTHER ASSETS    8,134,735    -      Right-of-Use Assets    8,134,735    -    49,891    -    49,892      Intangible Assets    -    49,891    -    49,892    -    49,892      Intangible Assets    -    -    10,982    -    49,892    -    49,892      Intangible Assets    -    -    10,982    -    10,982    -    10,982    -    10,982    -    10	Prepaid Inventories	2,322,230	4,649,230
Total Current Assets    79,232,715    76,009,287      PROPERTY, PLANT AND EQUIPMENT Land    5,918,995    5,921,088      Land Improvements    13,105,450    13,671,643      Buildings and Equipment    82,554,811    84,968,950      Accumulated Depreciation    101,579,256    104,561,681      Mudepreciated Cost    50,093,602    48,551,608      Construction in Process    879,284    786,112      Net Property, Plant and Equipment    50,972,886    49,337,720      OTHER ASSETS    8,134,735    50,972,886    49,337,720      OTHER ASSETS    -    49,891    112,000    101,000    120,000      Intangible Assets    -    -    49,892    10,983    10,983      Total Other Assets    -    -    10,983    13,000    120,000      Intangible Assets    -    -    10,983    10,983    17,205,493    17,205,493    17,205,493      Investments in Other Companies    1,026,353    926,353    18,782,042    18,131,843	Prepaid Expenses	1,152,428	1,121,730
PROPERTY, PLANT AND EQUIPMENT    Land  5,918,995  5,921,088    Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    Accumulated Depreciation  (51,485,654)  (56,010,073    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  666,262    Deferred Compensation Plan Assets  -  49,897    Intangible Assets  -  49,897    Intangible Assets  -  49,897    Total Other Assets  8,682,256  847,133    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,492    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,843	Prepaid Income Taxes	-	-
Land  5,918,995  5,921,088    Land Improvements  13,105,450  13,671,643    Buildings and Equipment  82,554,811  84,968,950    101,579,256  104,561,681    Accumulated Depreciation  (51,485,654)  (56,010,073    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735	Total Current Assets	79,232,715	76,009,287
IDI    IDI <td>Land Land Improvements</td> <td>13,105,450</td> <td></td>	Land Land Improvements	13,105,450	
Accumulated Depreciation  (51,485,654)  (56,010,073)    Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  80,000  120,000    Intangible Assets  8,682,256  847,138    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,492    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848	Buildings and Equipment	, ,	
Undepreciated Cost  50,093,602  48,551,608    Construction in Process  879,284  786,112    Net Property, Plant and Equipment  50,972,886  49,337,720    OTHER ASSETS  8,134,735  49,337,720    OTHER ASSETS  8,134,735  49,837,720    Other Assets  8,134,735  49,897    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,897    Intangible Assets  80,000  120,000    Intangible Assets – Other  -  10,985    Total Other Assets  8,682,256  847,135    INVESTMENTS  1,026,353  926,353    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,845	Assessment to 1 Demonstration	· · ·	
Construction in Process    879,284    786,112      Net Property, Plant and Equipment    50,972,886    49,337,720      OTHER ASSETS    8,134,735    9      Right-of-Use Assets    8,134,735    666,262      Deferred Compensation Plan Assets    -    49,891      Intangible Assets    -    49,891      Intangible Assets    -    49,891      Intangible Assets    -    10,983      Total Other Assets    8,682,256    847,133      INVESTMENTS    17,755,689    17,205,493      Investments in Other Companies    1,026,353    926,353      Total Investments    18,782,042    18,131,843			
Net Property, Plant and Equipment    50,972,886    49,337,720      OTHER ASSETS    Right-of-Use Assets    8,134,735    666,262      Notes Receivable    467,521    666,262    666,262      Deferred Compensation Plan Assets    -    49,891      Intangible Assets    80,000    120,000      Intangible Assets    -    10,985      Total Other Assets    8,682,256    847,138      INVESTMENTS    Equity in Other Organizations    17,755,689    17,205,495      Investments in Other Companies    1,026,353    926,355      Total Investments    18,782,042    18,131,848		· · ·	
OTHER ASSETS Right-of-Use AssetsNotes Receivable467,521Deferred Compensation Plan Assets-Intangible Assets-Intangible Assets80,000Intangible Assets-10,985Total Other Assets8,682,256Investments in Other Companies17,755,689Investments in Other Companies1,026,353926,355Total Investments18,782,04218,131,848			
Right-of-Use Assets  8,134,735    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  -  49,891    Intangible Assets  -  49,891    Intangible Assets  -  10,982    Total Other Assets  8,682,256  847,138    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,492    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848	Net Property, Plant and Equipment	50,972,886	49,337,720
Right-of-Use Assets  8,134,735    Notes Receivable  467,521  666,262    Deferred Compensation Plan Assets  -  49,891    Intangible Assets  -  49,891    Intangible Assets  -  49,891    Intangible Assets  -  10,982    Total Other Assets  8,682,256  847,138    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,492    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848	OTHED ASSETS		
Notes Receivable    467,521    666,262      Deferred Compensation Plan Assets    -    49,891      Intangible Assets    80,000    120,000      Intangible Assets – Other    -    10,982      Total Other Assets    8,682,256    847,138      INVESTMENTS    Equity in Other Organizations    17,755,689    17,205,492      Investments in Other Companies    1,026,353    926,353      Total Investments    18,782,042    18,131,848		8 134 735	
Deferred Compensation Plan Assets  -  49,891    Intangible Assets  80,000  120,000    Intangible Assets  -  10,983    Total Other Assets  8,682,256  847,138    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,493    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848	e		666 767
Intangible Assets  80,000  120,000    Intangible Assets  -  10,985    Total Other Assets  8,682,256  847,138    INVESTMENTS  Equity in Other Organizations  17,755,689  17,205,495    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848		407,521	,
Intangible Assets – Other    -    10,985      Total Other Assets    8,682,256    847,136      INVESTMENTS    Equity in Other Organizations    17,755,689    17,205,495      Investments in Other Companies    1,026,353    926,355      Total Investments    18,782,042    18,131,848	1	80.000	
Total Other Assets    8,682,256    847,138      INVESTMENTS    17,755,689    17,205,495      Investments in Other Companies    1,026,353    926,355      Total Investments    18,782,042    18,131,848	-	00,000	
INVESTMENTS      Equity in Other Organizations    17,755,689    17,205,495      Investments in Other Companies    1,026,353    926,355      Total Investments    18,782,042    18,131,848		8 682 256	,
Equity in Other Organizations  17,755,689  17,205,495    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848		0,002,230	077,130
Equity in Other Organizations  17,755,689  17,205,495    Investments in Other Companies  1,026,353  926,353    Total Investments  18,782,042  18,131,848	INVESTMENTS		
Investments in Other Companies    1,026,353    926,353      Total Investments    18,782,042    18,131,848		17,755.689	17,205,495
Total Investments    18,782,042    18,131,848			
TOTAL ASSETS \$ 157,669,899 \$ 144 325 99	X		18,131,848
	TOTAL ASSETS	\$ 157,669,899	\$ 144,325,993

# CONSOLIDATED BALANCE SHEETS August 31, 2023 and 2022

# Liabilities and Members' Equity

	2	023		2022
CURRENT LIABILITIES				
Checks in Excess of Bank Balance	\$	8,083	\$	24,414
Current Maturities of Long-Term Notes		776,040		3,017,164
Current Maturities of Finance Leases		,713,669		442,888
Patron Investments – Demand Notes	1	,221,162		4,126,328
Payables				
Trade		,441,139		7,420,380
Unpaid Grain	15	,989,776		13,400,522
Patron Credits	7	,259,449		12,802,346
Deferred Payment Contracts	3	,582,816		5,118,137
Other	2	,362,742		1,599,338
Margin Account	3	,362,558		608,234
Accrued Expenses				
Property Taxes		595,939		592,871
Interest		120,344		142,917
Income Taxes Payable		-		27,874
Payroll and Payroll Taxes	4	,217,523		3,981,437
Other		,193,514		1,334,042
Patronage Dividends Payable		,075,000		2,749,133
Total Current Liabilities		,919,754		57,388,025
LONG-TERM LIABILITIES – Net of Current Maturities Notes Payable Finance Leases Deferred Payment Contracts Patron Investments – Certificates Other Total Long-Term Liabilities	6 2	,442,206 ,730,829 74,123 ,013,645 465,239 ,726,042		2,050,883 1,309,763 17,022 2,059,643 1,953,607 7,390,918
DEFERRED INCOME TAXES		801,357		904,326
MEMBERS' EQUITY				01 (15 40)
Revolving Funds		,551,313		21,615,406
Non–Qualified Allocation		,412,305		6,461,237
General Reserve		,259,128		50,566,081
Total Members' Equity	88	,222,746		78,642,724
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$157	,669,899	\$1	44,325,993

# CONSOLIDATED STATEMENTS OF SAVINGS Years Ended August 31, 2023 and 2022

	2023	2022
Sales	\$473,412,805	\$452,461,823
Cost of Goods Sold	441,586,834	417,603,412
Gross Savings on Sales	31,825,971	34,858,411
Other Revenue	15,540,095	14,776,033
Total Gross Revenue	47,366,066	49,634,444
Operating Expenses, Including Interest	38,075,055	39,617,921
Operating Savings - Local	9,291,011	10,016,523
Patronage Dividend Income	5,819,675	397,255
Savings Before Income Taxes	15,110,686	10,413,778
Income Tax Expense (Benefit)		
Current	447,255	320,168
Deferred	(102,969)	843,966
Net Savings	\$ 14,766,400	\$ 9,249,644

### **DISTRIBUTION OF NET SAVINGS**

Qualified Patronage Dividend Provision		
Cash – 50% (2023) and 70% (2022)	\$ 4,075,000	\$ 2,749,133
Deferred – 50% (2023) and 30% (2022)	4,075,000	1,178,200
	8,150,000	3,927,333
Retained Earnings	6,616,400	5,322,311
	\$ 14,766,400	\$ 9,249,644

### CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY Years Ended August 31, 2023 and 2022

		Revolving	Non–	Preferred	General
	Total	Funds	Allocation	Equity	Reserve
Balance – August 31, 2021	\$78,068,348	\$21,583,831	\$ 8,934,191	\$ 2,465,348	\$45,084,978
Equity Redeemed	(3,662,272)	(1,146,625)	(50,299)	(2,465,348)	-
Non-Qualified Redemption	(2,142,663)	-	(2,142,663)	-	-
Transfers/Adjustments	51,374	-	(279,992)	-	331,366
Preferred Equity Dividend	(172,574)	-	-	-	(172,574)
Current Year Net Savings	9,249,644	-	-	-	9,249,644
Patronage Dividends					
Current	(2,749,133)	-	-	-	(2,749,133)
Deferred	-	1,178,200	-	-	(1,178,200)
Balance – August 31, 2022	78,642,724	21,615,406	6,461,237	-	50,566,081
Equity Redeemed	(1,184,395)	(1,139,037)	(48,932)	-	3,574
Transfers/Adjustments	73,020	(56)	-	-	73,073
Current Year Net Savings	14,766,400	-	-	-	14,766,400
Patronage Dividends					
Current	(4,075,000)	-	-	-	(4,075,000)
Deferred	-	4,075,000	-	-	(4,075,000)
Balance – August 31, 2023	\$88,222,746	\$24,551,313	\$ 6,412,305	\$ -	\$57,259,128

### CONSOLIDATED STATEMENTS OF CASH FLOWS Years Ended August 31, 2023 and 2022

		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Savings	\$	14,766,400	\$ 9,249,644
Adjustments to Reconcile Net Savings to Net Cash			
Provided by Operating Activities			
Depreciation and Amortization		4,839,253	4,695,674
Gain on Sale of Property, Plant and Equipment		(676,822)	(1,342,714)
Patronage Dividend Income Received as Equity		(2,775,662)	(208,743)
Deferred Income Tax Expense (Benefit)		(102,969)	843,966
Change in Assets and Liabilities			
(Increase) Decrease in Receivables		2,612,716	(3,549,176)
(Increase) Decrease in Margin Account		6,628,911	(330,693)
(Increase) Decrease in Inventories		9,846,386	(10,520,392)
Decrease in Prepayments on Inventories		2,327,000	2,683,650
Increase in Prepaid Expenses		(30,698)	(128,458)
(Increase) Decrease in Prepaid Income Taxes		(309,971)	584,176
Increase (Decrease) in Payables		(664,031)	10,087,688
Increase in Accrued Expenses		76,053	2,243,381
Net Cash Provided by Operating Activities		36,536,566	14,308,003
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		805,928	4,197,843
Additions to Property, Plant and Equipment		(6,552,540)	(3,400,606)
Decrease in Notes Receivable		198,741	542,016
Equity in Other Organizations Redeemed		2,218,990	356,601
Redemptions from Investments in Other Companies		6,478	696,497
Contributions to Investment in Other Companies		(100,000)	
Net Cash Provided by (Used in) Investing Activities		(3,422,403)	2,392,351
		(-)))	<u> </u>
CASH FLOWS FROM FINANCING ACTIVITIES			(5.922.512)
Net Repayments of Short–Term Notes		-	(5,822,513)
Additional Long–Term Borrowings		2,337,562	-
Repayment of Long–Term Notes		(5,250,719)	(8,312,100)
Net Issuance (Repayment) of Patron Notes and Certificates		(2,955,664)	2,987,202
Net Issuance (Payment) of Finance Leases		(442,887)	643,996
Redemption of Members' Equity		(1,184,395)	(3,662,272)
Preferred Equity Dividend		-	(172,574)
Redemption of Non-Qualified Patronage		-	(2,142,663)
Allocated Patronage Dividends Paid in Cash		(2,749,189)	(2,199,839)
Employee Retention Credit and Deferred Revenues		(1,427,477)	1,881,717
Other Financing Activities Net Cash Used in Financing Activities		<u>129,928</u> (11,542,841)	<u>18,220</u> (16,780,826)
Net Cash Osed in Financing Activities		(11,342,041)	(10,780,820)
Net Increase (Decrease) in Cash	\$	21,571,322	\$ (80,472)
Cash – Beginning of Year	Ψ	1,048,595	1,129,067
Cash – End of Year	\$		
	3	22,619,917	\$ 1,048,595
	ΝT		
PLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION ash Baid (Bassived) During the Year for:	N		
ash Paid (Received) During the Year for:	-	(400 00 0	<b>h</b>
Interest	\$	(103,921)	\$ 1,161,032
Income Taxes		911,794	(547,189)
PLEMENTAL SCHEDULE OF NON-CASH INVESTING ACTIV			¢ 1.000 (77
roperty, Plant and Equipment Acquired through Capital Leases	\$	-	\$ 1,099,677
ight-of-Use Assets Obtained in Exchange for Lease Liabilities		10,457,736	-

Right-of-Use Assets Obtained in Exchange for Lease Liabilities	10,457,736	-
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING ACTI	IVITIES	
Allocated Patronage Dividends	\$ 8,150,000	\$ 3,927,333
Right-of-Use Liabilities Obtained in Exchange for Lease Assets	10,457,736	-

# FOUR-YEAR SUMMARY

Years Ended

August 31	2023	2022	2021	2020
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# STATEMENTS OF SAVINGS

Sales	\$ 473,412,805 \$	6 452,461,823 \$	5 366,111,309	\$ 258,796,204
Operating Expenses, Including Interest	38,075,055	39,617,921	37,817,745	40,191,867
Operating Savings - Local	9,291,011	10,016,523	3,309,730	2,439,907
Net Savings	14,766,400	9,249,644	8,302,730	3,501,167
Operating Savings - Local to:				
Sales	1.96%	2.21%	0.90%	0.94%
Equity	10.53%	12.74%	4.24%	3.27%

# BALANCE SHEETS

Current Assets	\$ 79,232,715 \$	5 76,009,287 \$	64,141,545	\$ 42,300,215
Total Assets	157,669,899	144,325,993	138,047,570	119,626,810
Long-Term Liabilities	10,726,042	7,390,918	10,276,024	13,043,226
Total Members' Equity	88,222,746	78,642,724	78,068,348	74,709,633
Working Capital	21,312,961	18,621,262	14,498,707	10,426,264
Current Assets Ratio	1.37	1.32	1.29	1.33
Ownership Percentage	56%	54%	57%	62%
Local Ownership Percentage	48%	45%	46%	50%
Long-Term Liabilities to PPE & Right-of-Use Assets	18%	15%	19%	23%

# OTHER HIGHLIGHTS

Property, Plant, & Equipment Additions	\$	6,552,540	\$	3,400,606	\$	2,715,082	\$	2,212,042
Patronage Allocated - Cash Patronage Allocated - Deferred	\$ \$	4,075,000 4,075,000		2,749,133 1,178,200	\$ \$	2,200,000	\$ \$	1,000,000
Qualified Patronage Retired Non-Qualified Patronage Retired	\$ \$	1,139,037 48,932	\$ \$	1,146,625 2,192,962	\$ \$	854,644 79,947	\$ \$	768,928 17,039
Preferred Stock Dividend	\$	-	\$	172,574	\$	234,468	\$	274,418
Preferred Stock Redeemed	\$	-	\$	2,465,348	\$	1,454,916	\$	352,384
Sales to: Property, Plant and Equipment Equity Expenses Personnel Costs Working Capital		9.29 5.37 12.43 32.30 22.21		9.17 5.75 11.42 27.41 24.30		6.85 4.69 9.44 23.14 25.25		4.56 3.46 5.68 12.28 24.82