

2020 Annual Meeting



25 YEARS

Keeping the Flame Burning

Forward Looking Statements



Presentations at this meeting could include discussions of some of our expectations regarding Golden Growers Cooperative's and ProGold LLC's future performance.

These forward-looking statements are based on our current views and assumptions. Actual results could differ materially from these current expectations and forecasts, and from historical performance.

Members should consider such risks and uncertainties when evaluating any forward-looking statement and not put undue reliance on any forward-looking statements.

Golden Growers Cooperative undertakes no obligation to update any forward-looking statements in these presentations to reflect future events or developments.

Rules for Participation



MUTE

- **Phone – use mute button or press *6**
- **Computer – use the mute button on the GoToMeeting application**

FOR QUESTIONS

- **Use the CHAT feature of the GoToMeeting application**
- **OR you can TEXT a question to 701-799-0891**



***MATT
HASBARGEN***

**Secretary, Golden
Growers Cooperative**

Rules for Elections



NOMINATIONS FROM FLOOR

- **You must be from the District of the person you are nominating.**
- **You must have the permission of the nominee**
- **Notice of Intent to Nominate must be provided by CHAT or TEXT (701-799-0891) prior to the Elections portion of the meeting.**
- **Nominee CHAT or TEXT their permission to be nominated.**



MARK HARLESS

**Chairman, Golden
Growers Cooperative**

Adjusting to a Unique Situation



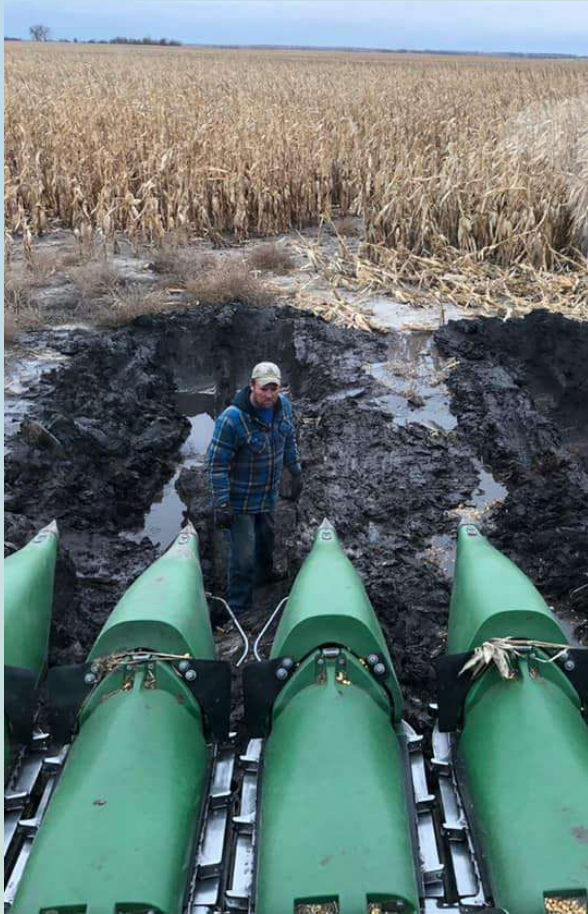
- **Serious Public Health Risk**
- **The Center for Disease Control, State, and Local officials are recommending ‘social distancing’**
- **More Information**
 - **CDC website**
 - **State Health Dept Websites**

Meeting by Remote Participation



- **Our Annual Meeting is being conducted according to Bylaws allowing for Remote Participation.**
- **If you are unable to view the our presentation slides through GoToMeeting, they are available on the Golden Growers Website.**
- **By voting by mail or by email, you will contribute to our Quorum.**

Unique Year for Farmers Too



Unique Year for Farmers Too



2020 Annual Meeting



25 YEARS

Keeping the Flame Burning

North District



Shaun Beauchclair

David Benedict

Mark Harless

Glenn Johnson

Central District



Gary (Butch) Jirak

Brett Johnson

Chris Johnson

Nick Pyle

South District



Richard Bot

Les Nesvig

Bruce Speich

Larry Vipond

At Large Directors



Matt Hasbargen

Scott Jetvig

Byron Koehl



GLENN JOHNSON

First elected in 2008



CHRIS JOHNSON

First elected in 2008



***SHAUN
BEAUCLAIR***

First elected in 2008



Approval of 2019 Minutes

Today's Agenda



- **Election of Directors**
- **Financial Reports**
- **Chairman's Report**
- **Management Report**
- **Question & Answers**
- **Adjourn**



***MATT
HASBARGEN***

**Secretary, Golden
Growers Cooperative**



ELECTIONS

Nominations from the North District

Three-Year Term

**Nominated by Petition:
Mark Harless**

Borup, MN

Nominations from the South District

Three-Year Term

Nominated by Petition:

Richard Bot

Minneota, MN



ELECTIONS



NICK

PYLE

**Chair, Finance & Audit
Committee**

Finance & Audit Committee

- **Provide oversight of Cooperatives finances**
- **Require effective internal controls**
- **Meet with the auditors to ensure acceptable business practices.**
- **Responsible for annual audits and other audits as needed.**
- **Establish annual budget.**

Statement of Operations

| x Thousands | | Year Ended December 31 | |
|-----------------------------|----|------------------------|-----------|
| | | 2018 | 2019 |
| Corn Revenue | \$ | 50,201 | \$ 54,296 |
| Corn Expense | | (50,152) | (54,336) |
| Net Income from ProGold LLC | | 6,924 | 7,659 |
| General & Administrative | | (535) | (565) |
| Net Income from Operations | | 6,339 | 7,054 |
| Income | | 82 | 181 |
| Net Income | \$ | 6,421 | \$ 7,235 |
| Earnings / Unit | \$ | 0.41 | \$ 0.47 |

Balance Sheets

| <i>Assets</i> | x Thousands | Year Ended December 31 | |
|-----------------------------|-------------|------------------------|------------------|
| | | 2018 | 2019 |
| CURRENT ASSETS | | | |
| Cash & Cash Equivalents | \$ | 2,403 | \$ 3,228 |
| Short-term Investments | | 2,758 | 1,807 |
| Other Current Assets | | 244 | 275 |
| TOTAL CURRENT ASSETS | | 5,405 | 5,310 |
| Long-term Investments | | 2,163 | 3,220 |
| Investment in ProGold llc | | 18,481 | 18,059 |
| TOTAL ASSETS | \$ | 26,049 | \$ 26,589 |

Balance Sheets

| <i>Liabilities & Members' Equity</i> | Year Ended December 31 | |
|--|------------------------|---------------|
| | 2018 | 2019 |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 1 | \$ 2 |
| Accrued Liabilities | \$ 212 | \$ 208 |
| TOTAL CURRENT LIABILITIES | 213 | 210 |
| NON-CURRENT LIABILITIES | | |
| | - | - |
| TOTAL LIABILITIES | \$ 213 | \$ 210 |

Balance Sheets

Liabilities & Members' Equity

Year Ended December 31

2018

2019

MEMBERS' EQUITY

\$ 25,836

\$ 26,379

Membership Units, 15,490,480

Accumulated Other

Comprehensive Income (Loss)

-

-

Total Member' Equity

25,836

26,379

TOTAL LIABILITIES &

MEMBERS' EQUITY

\$ 26,049

\$ 26,589

2020 Annual Meeting



25 YEARS

Keeping the Flame Burning



MARK HARLESS

**Chairman, Golden
Growers Cooperative**



ELECTION RESULTS

Keeping the Flame Burning



**Golden Growers
Cooperative**

25th Anniversary Elected Board

Exciting Time

- **MN, ND, SD all wanted ProGold**
- **ND Special Session to approve incentives**
- **2100 GGC Members invested \$54 million**
- **Ground Breaking Scheduled**

Flame Still Alive

Tough Years

- **If not for leaders at that time, flame could had died out**
- **25 years later, over 200% of that original investment has been returned to members.**

Keeping the Flame Alive

Position the ProGold for the future

- **\$750,000/year infrastructure spending**
- **Replacing the Distributive Control System**
- **Tube Sheet Dryer major repair**

Natural Gas to Feed the Flame

Current Status

- **6” Pipe Supplies Gas from East**
- **Curtailed Industrial Use in Winter Months**
- **Plant is not Fully Utilized**
- **New Industry or Expansion Prohibited**

Possible Natural Gas Solutions

- 1. Parallel Pipe: Vergus, MN to Wahpeton**
 - Siting difficult through wetlands/waterways**
- 2. Mapleton, ND to Wahpeton**
 - \$60 Million (minimum) to build**
- 3. Solutions Utilizing ND Sourced Gas**
 - Northern Border & Alliance**

North Dakota Sourced Gas

Northern Border Pipeline

- **Plenty of Gas**
- **Most Expensive to Build – 100 miles**

Alliance Pipeline

- **Least Expensive to Build**
- **Wet Gas**
- **Aux Sable Charges make gas Expensive**

Group Effort

Wahpeton Community

Local Legislators

Governor's Office

Industrial Users

- **Identify Solution by Early Summer**
- **Proposal with Statewide Application**

Focus: Shareholder Value

Shorter Term

- **Build Cash Reserve – Level Distributions**

Longer Term

- **Investments in Infrastructure & Capital**
- **Solution for Affordable/Reliable Gas**

Final Thoughts

Unprecedented Times

- **Rapidly Changing Situation**
- **Agriculture Will be Impacted**
- **Months from Now – Different Place**
- **Take Care of Yourselves, Family, Neighbors**
- **Next Year – Flame will Burn a Little Brighter**



SCOTT

STOFFERAHN

Executive Vice President

Golden Growers Cooperative

Cooperative Administration

Electronic Communication More Important

- Printing Services May be Stretched Thin
- If you aren't receiving emails, send your email to scotts@goldengrowers.com
- Use of Direct Deposit Even More Important
 - Presently: 1062 Participants, 70% of Members
- May rely more on email messages
- Watch the GGC Website for Information

Cooperative Administration

Uncashed Checks

- Considerable Time is Spent to Get People to Cash Checks
 - Starting in 2020, Golden Growers will Charge \$25 for each reprinted check UNLESS the member signs up for Direct Deposit

Thank You!

- **Board of Directors**
- **Eide Bailly**
- **Widmer Roel**
- **Forum Printing**
- **Fredrikson & Byron**
- **Vogel Law Firm**
- **Bell Bank**
- **GGC Members**



YOUR QUESTIONS

Forward Looking Statements



Presentations at this meeting could include discussions of some of our expectations regarding Golden Growers Cooperative's and ProGold LLC's future performance.

These forward-looking statements are based on our current views and assumptions. Actual results could differ materially from these current expectations and forecasts, and from historical performance.

Members should consider such risks and uncertainties when evaluating any forward-looking statement and not put undue reliance on any forward-looking statements.

Golden Growers Cooperative undertakes no obligation to update any forward-looking statements in these presentations to reflect future events or developments.

2020 Annual Meeting



25 YEARS

Keeping the Flame Burning