



Golden Growers  
Cooperative

# Memberandum

Volume 26, Number 4

October 2020

## GGC Board Approves Distribution of \$0.13/bushel

On September 17th, the Golden Growers Board of Directors approved a distribution of \$2,013,762 to members of record as of October 1, 2020. This distribution retires the remaining portion of 2018 allocated income and a portion of 2019 allocated income. In combination with the February and June distributions, a total of \$6,196,692 has been issued to members in 2020.

As previously mentioned, the GGC Board believes it is important to build a reserve during the course of this new lease for several reasons that include likely capital expenditures at the plant, and the potential for Cargill to exercise its option to purchase 50% interest in ProGold. This distribution authorized by the Board will result in a remaining equity credit balance for 2019 of \$4,144,807 or \$0.27/unit. (Note: This balance does not constitute an outstanding obligation for GGC.)

## Cybersecurity - Protecting Yourself When Online

As we become more and more connected through the regular use of the internet and email, it is easy to become complacent on the risk associated with online activities. There are a few reasonable steps to reduce (not eliminate) your risk. **Passwords:** Passwords should not be simple and used for multiple accounts. Make them more complex with a use of numbers and letters with a mix of small and large caps and symbols is useful. Maintain a list of logins and passwords using a password management program (Keeper, LastPass, etc.) or an encrypted spreadsheet.

**Two-Step Authentication:** Most email, banking, credit card, and social media accounts allow you to 'opt in' to two factor authentication (2FA). This is an extra step to log in for the first time on a new device (computer, phone, etc.) that requires a code to be texted to your phone, or emailed to a separate email account before you can access the information. While it can be a bit frustrating, it is much better than finding out that someone obtained access to your bank or credit card account and made a series of purchases.

**Lock Your Phone/Computer:** All phones and computers allow you to require a password, finger print, etc. to access the device. Without setting up this rather simple level of protection, anyone who, even momentarily, has possession of the device also has access to all of the information on it.

**Install antivirus and anti-malware:** Antivirus or anti-malware software will help you avoid inadvertently downloading programs that install programs that destroy or access all of your private data. Many good options are available like Norton 360, McAfee, AVG, Malwarebytes, ESET.

**Don't just click that link:** Hackers are notorious for sending emails that are disguised as being sent from a legitimate source. Be suspicious about any email that asks you to click a link or provide login information for an account. Check the UNDERLYING EMAIL ADDRESS to see if it makes sense. (i.e. You won't receive an invoice for AT&T from an email address like 'billsatt@yahoo.com'.) The same goes for links in mysterious text messages - don't click the link.

**Avoid use of public WiFi:** Publicly available WiFi is notorious for hackers capturing online activity, passwords, etc. If you must, however, use a virtual private network (VPN) service that encrypts your activity while connected to public or hotel internet service. VPN services are fee based, but not necessarily expensive. Options to consider: ExpressVPN; NordVPN; Surfshark; etc.

## Trump tells his EPA to deny Retroactive Waivers - Considers payments to Refiners.

Under election year pressure (especially in Iowa), President Trump ordered EPA to deny retroactive waiver requests intended to sidestep a 10th circuit court ruling. The circuit court ruled that waiver requests could only be approved if a refiner had continuously received them. The Trump Administration quadrupled the number of RFS exemptions since taking office.

While the biofuel industry welcomed the move, refiners complained that this action would cause significant economic harm. A day after reports that retroactive waivers would be denied (not official word as of yet), new reports surfaced that the Administration was contemplating at least \$300 million in payments to refiners using funds from USDA's Commodity Credit Corporation (CCC). Ag Secretary Purdue has since indicated that the USDA has no intention of using CCC for a refiner relief program.

## 2021 Incentive Payments and Agency Fees

Incentive Payments and Agency Fees for Method A and Method B Pool participation will remain the same for 2021. That means Golden Growers will pay \$0.05 for Method A bushels delivered directly to the plant and will charge \$0.02 for Method B bushels the Cooperative secures and delivers on a member's behalf.

## 2021 ADA Pool Election Decision

Each year, Members have the opportunity to change their method of delivery by submitting a revised Annual Delivery Agreement (ADA). **This is your only opportunity to change your method of delivery for the coming year.**

You should have already received your Annual Delivery Election letter with the ADA form on the back page. If you intend to change your delivery method, return the form no later than December 10th.

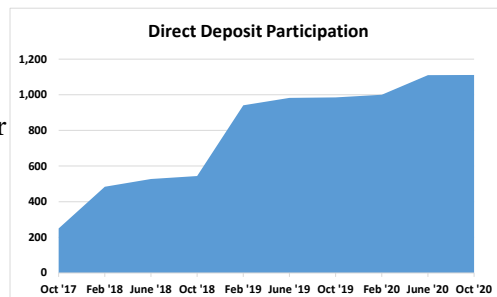
**Only members intending to change their delivery method need to respond.** Members who deliver directly to the plant through the Method A pool have a \$0.07/bushel advantage over members participating in the Method B pool. In 2020, 27% of bushels were delivered by members directly to the plant.

### Moving to Direct Deposit for all Members

The Golden Growers Board had an extensive discussion about the value of Direct Deposit for members (assurance of accurate and timely receipt of distributions) and the cooperative (lower administrative costs). At the conclusion of that discussion, the **Board approved a change in policy** intended to gradually move all members to participate in Direct Deposit. Changes are as follows: 1) **The reprint fee**, for members not enrolling at the time of request, **increases from \$25 to \$50** as of **January 1, 2021**; 2) Starting **January 1, 2022**, GGC will charge an **administrative fee of \$75** for non-participating members; and 3) GGC will require **full participation in Direct Deposit** as of **January 1, 2023**.

Direct Deposit was first utilized in October of 2017 with 250 members participating (16%). Over the past three years, we have had steady growth in participation with 1,111 members enrolled (73%) for the October payment. Participants have been pleased with the timely, seamless, and secure process for receipt of distributions. They also receive a mailed letter explaining the payment for their records.

Golden Growers will be mailing an enrollment letter to non-participating members in December explaining the change in policy and encouraging participation prior to January Method A payment and the February distribution.



### Make life easy, choose



- No Lost Checks!
- Immediate access to \$\$
- Receive Confirmation Letter

[www.goldengrowers.com/membership-information/](http://www.goldengrowers.com/membership-information/)

### October 2020 Memberandum Newsletter



Golden Growers Cooperative  
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### Notify GGC of Changes!

Please remember to notify GGC immediately of address, phone number changes, or to report the death of a member. Call us at 701-281-0468 or email [scotts@goldengrowers.com](mailto:scotts@goldengrowers.com).

### Thinking of Selling or Buying GGC Membership Units?

We often receive calls from members to inquire about buying or selling GGC Membership Units. Members are reminded that all 'arms length' or non immediate family transfers **MUST** go through our Qualified Matching Service, FNC Ag Stock, LLC in Grand Forks, ND. At [www.fncagstock.com](http://www.fncagstock.com), go to the GGC page and review recent sales, offers to sell, and standing offers to buy. You can find additional information on GGC's website.

### Important Dates:

**October 5** - Annual Delivery Election Letter Mailed

**December 1** - Transfer Request Deadline

**December 11** - GGC Board Meeting

**December 10** - Deadline for 2021 Annual Delivery Election response

**March 24, 2021** - GGC Board Meeting

**March 25, 2021** - GGC Annual Meeting

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