

Financial Statement
of



Growing Value Together

31-Dec-22

~Board of Directors~

Jeff Teubner - President
Mark Heinz - Vice President
Cordell Beaver - Secretary/Treasurer
Bradyn Henderson
Tim Hendrickson
Tim Hudson
Bruce Lewallen
Sebastian Wald
Travis Westlind

Sean Slowinski - CEO

Abstracted from the financial statements
as audited by EIDE BAILLY LLP
Certified Public Accountants and Consultants
Aberdeen, South Dakota

The financial statements of Legacy Cooperative as of and
for the year ended December 31, 2022, including the notes
to the financial statements and independent auditor's report, have
been audited by Eide Bailly LLP and are on file at the Company's office.

Legacy Cooperative
Balance Sheets
December 31, 2022 and 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 53,680,672	\$ 22,250,614
Marketable Securities	949,362	1,037,631
Accounts receivable - trade (net of allowance for bad debts)	3,241,487	3,721,651
Grain in transit	416,122	151,459
Advances	500,000	20,000
Grain receivable	1,368,801	2,611,051
Storage/delayed price charges receivable	817,365	521,631
Margin deposit and other receivables	1,868,677	2,405,177
Grain inventory	74,484,106	81,454,782
Exchange-traded hedges	-	834,246
Merchandise inventory	21,984,790	17,256,788
Prepaid merchandise and prepaid expense	8,177,045	13,401,453
Total current assets	<u>167,488,427</u>	<u>145,666,483</u>
PROPERTY AND EQUIPMENT, at cost	102,443,363	99,332,378
Less accumulated depreciation	<u>52,421,867</u>	<u>46,022,120</u>
	<u>50,021,496</u>	<u>53,310,258</u>
OTHER ASSETS		
Investments in other cooperatives	17,464,063	17,579,608
Non Qualified Investments in other cooperatives	4,016,349	2,618,155
Total other assets	<u>21,480,412</u>	<u>20,197,763</u>
	<u>\$ 238,990,335</u>	<u>\$ 219,174,504</u>
LIABILITIES AND PATRONS' EQUITY		
CURRENT LIABILITIES		
Drafts payable	\$ 6,174,647	\$ 5,667,860
Exchange traded hedges	25,889	-
Grain contracts payable - deferred payment	53,598,452	55,082,897
Grain contracts payable - grain payable	8,995,972	10,850,191
Forward contracts	418,360	1,572,204
Accounts payable - trade	1,563,952	3,040,277
Accounts payable - grain delayed price	33,060,637	17,953,444
Customer credit balances	19,298,016	12,809,255
Accrued taxes and expenses	3,537,838	2,938,115
Patronage dividend payable (cash portion)	4,390,000	3,250,000
Current portion of long-term debt	3,460,990	3,394,320
Current portion of lease payable	15,414	14,511
Total current liabilities	<u>134,540,167</u>	<u>116,573,074</u>
LONG-TERM LIABILITIES		
Deferred payment contracts	10,722,853	8,971,335
Lease payable, net of current portion	33,371	48,785
Long-term debt, net of current portion	12,129,650	14,590,640
Total long term liabilities	<u>22,885,874</u>	<u>23,610,760</u>
DEFERRED INCOME TAXES PAYABLE	2,278,554	1,144,517
	<u>159,704,595</u>	<u>141,328,351</u>
PATRONS' EQUITY	79,285,740	77,846,153
	<u>\$ 238,990,335</u>	<u>\$ 219,174,504</u>

Legacy Cooperative
 Statements of Operations
 Years Ended December 31, 2022 and 2021

	2022	2021
Total Sales	\$ 360,676,554	\$ 269,706,585
GRAIN		
Wheat	\$ 5,804,974	\$ 5,562,096
Corn	105,414	36,738
Soybeans	4,226,311	3,475,163
Oats & Rye	9,714	36,974
Flax	(37,201)	85,052
Canola	1,902,705	1,890,366
Barley	213,995	136,846
NuSun and Sunflowers	(18,345)	39,635
Pinto Beans	128,912	120,525
Peas	4,283	(2,279)
	<u>12,340,762</u>	<u>11,381,116</u>
MERCHANDISE		
Chemicals	4,063,183	2,372,173
Fertilizer	7,031,508	5,306,209
Feed & Livestock Supply	107,778	46,699
Misc Merchandise	1,167,151	1,159,442
Tires and Automotive	590,205	500,778
Petroleum Products	3,018,878	2,538,520
Seed	1,767,394	1,839,911
	<u>17,746,097</u>	<u>13,763,732</u>
Gross Trading Margin	\$ 30,086,859	\$ 25,144,848
Other Income		
Storage and handling	\$ 1,093,847	\$ 601,860
Labor and service	736,063	582,337
Spreading/Spraying	2,262,849	2,063,812
Cleaning, treating and drying	184,199	248,484
Grinding and weighing	12,940	20,937
Bad debt recoveries	584	1,747
Rent	9,535	11,939
Interest, dividend income and finance charges	340,731	356,718
PPP loan forgiveness	-	1,825,978
Miscellaneous	906,481	666,845
Gain on disposal of fixed assets	-	9,750
	<u>\$ 5,547,229</u>	<u>\$ 6,390,407</u>
Gross margin and other income	\$ 35,634,088	\$ 31,535,255
Expenses		
General and administrative	18,430,394	17,092,502
Depreciation	6,407,016	6,326,452
Interest	725,449	677,297
Total expenses	<u>25,562,859</u>	<u>24,096,251</u>
LOCAL SAVINGS	10,071,229	7,439,004
PATRONAGE INCOME	2,371,223	1,083,727
SAVINGS BEFORE INCOME TAXES	12,442,452	8,522,731
INCOME TAX EXPENSE	1,361,273	171,441
NET INCOME	\$ 11,081,179	\$ 8,351,290
GRAIN RECEIPTS	2022	2021
Wheat - bu.	9,593,424	10,917,375
Corn - bu.	269,879	259,463
Soybeans - bu.	5,327,925	4,239,912
Oats & Rye - bu.	27,895	2,364
Flax - bu.	16,551	17,120
Canola - cwt.	1,695,085	1,684,277
Barley - bu.	310,052	192,031
NuSun & Sunflowers - cwt.	33,240	19,316
Pinto Beans - cwt	93,192	38,089
Peas - bu.	4,347	2,705
	<u>17,371,590</u>	<u>17,372,652</u>

Legacy Cooperative
Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Net income	\$ 11,081,179	\$ 8,351,290
Adjustments to reconcile net income to net cash from (used for) operating activities:		
Depreciation	6,407,016	6,326,452
Accretion of discount on investments in other cooperatives	(104,880)	(104,880)
Gain on disposal of fixed assets	-	(9,750)
Bad debt expense	13,662	40,228
Deferred income taxes	1,134,037	79,635
Dividend allocations from other cooperatives	(1,464,692)	(523,825)
Forgiveness of PPP loan	-	(1,825,978)
Unrealized (Gain) Loss on Securities	96,716	(6,269)
Changes in assets and liabilities:		
Receivables and margin deposits	1,204,855	3,440,245
Inventories	2,242,674	(27,552,305)
Prepays	5,224,408	(10,307,744)
Exchange traded hedges and forward contracts	(293,708)	(2,753,035)
Payables	19,638,993	42,212,367
NET CASH FROM OPERATING ACTIVITIES	<u>45,180,260</u>	<u>17,366,431</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(3,118,255)	(3,060,426)
Proceeds from disposal of fixed assets	-	9,750
Purchase of marketable securities	(8,447)	(8,399)
Investments in other cooperatives redeemed	286,923	212,046
NET CASH USED FOR INVESTING ACTIVITIES	<u>(2,839,779)</u>	<u>(2,847,029)</u>
FINANCING ACTIVITIES		
Payments on lease payable	(14,511)	(13,659)
Payments on long-term debt	(3,394,320)	(4,042,803)
Proceeds from long-term debt	1,000,000	9,900,000
Payment of prior year dividends	(3,133,787)	(2,864,789)
Payment of prior year patronage credits	(5,367,805)	(4,669,294)
NET CASH FROM FINANCING ACTIVITIES	<u>(10,910,423)</u>	<u>(1,690,545)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	31,430,058	12,828,857
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>22,250,614</u>	<u>9,421,757</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 53,680,672</u>	<u>\$ 22,250,614</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for:		
Interest	\$ 731,213	\$ 671,119
Income taxes paid	93,120	243,330
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Patronage dividends payable	\$ 4,390,000	\$ 2,946,000

Legacy Cooperative Employees 2023

Bisbee Agronomy

Holly Cammack
Dan Ettl
Isaac Hendrickson
Joseph Kremer
Brandon Krumwiede
Michael Lang
Brandt Lemer
Chase Mattern

Bisbee Office

Joyce Benson
Jimmy Carlson
Val Christensen
Jenny Daniels
Skyler DeCoteau
Brooks Larson
Stephanie LeVeque
Erica Peters
Sean Slowinski
Tonya Snavely
Teresa Stenson
Janell Thomas
Paul Wagenman
Stephanie Weltin

Bisbee Station

Chad Rinas
Michael Rinas
Kristine Wagenman

Bisbee Terminal

Brittanie Baier
David Berginski
David Disette
Keith Hendrickson
Danny Krumwiede
Jared LeVeque
Devin McGrath
Christopher Poitra
Robert Swenson
Christopher Tastad
Donnie Tostenson
Brian Young

Cando Agronomy/Energy

Luke Benson
Trevor Darling
Rogerio Dias
Daniel Holien
Terrance Leen
Angela Nilsen
Victor Risovi
Robert Wagner
Wesley Yoder

Cando C-Store

Terrance Biby
Bailey Coleman
Alexandrea Conley
Pamela Davis
Heather Doll
Braxten Korb
Kimberly Korb
Linda Martz
Zachary Morrow
Jenny Timms
Mary Timms
Savannah Trottier
Lissette Velez Lagares
Sandta Volden

Cando Elevator

Bruce Cahill
Thomas Gerald
Michelle Heisler
Larry Sivertson
Kelly Westby

Dunseith C-Store

Ginger Belgarde
Victoria Bender
Ashley Bercier
Riley Bradford
Merle Brady
Bret Cree
Eleanor Domben
Sammy Fosseneure
Jack Hunt, Jr.
Morgan Janz
Tami Laducer
Carl Lagerquist

Egeland Agronomy

Kimberly Jacobson
Alexus Schemionek
Daryl Vote

Egeland Elevator/Agronomy

Donald Godman
Samuel Wagner

Overly Agronomy/Elevator

Matthew Crebo
Brody Haakenson
Jayden Welk

Rock Lake Agronomy

Michael Carter
Kevin Martin

Rock Lake Elevator

Fargo Hoerer
Gary Hunt
Dylan McGrath

Rock Lake Station

Chad Berginski

Rolette Agronomy/Elevator

Bryce Leonard
Everett Lervik
Aaron Thompson

Rolette Elevator

Daniel DeCoteau

Rolette Station

Jason Beaver
Darrin Boucher
Sherrie Boucher
Glen Foss
Errol Gilje
Rondi Kraft
Edward Lauck
Mechelle Lauck
Robert Malo
Sarah Selvig

Rolla Agronomy

Tom Cahill
Scott Gailfus
Chad Starr

Rolla C-Store

Ginger M. Belgarde
Shale Blacksmith
Jailyn Brown
Alexis Disher
Richard Griffin
Melissa Hicks
Edward LaVallie
John Lovcik
Janice Sappington
Ronald Sappington
Marsha Steele
Stacy Vallie
Sonya Yoder

Rolla Elevator

Matthew Allery
Raymi Hendrickson
Andrew Morin

Rolla North Central Tire

Alan Berginski
Darren Demery
Gary Haas
Dominik Johnson

Wales Agronomy/Elevator

Mark Fisk
David Girodat
Sharon Howatt

