

**Crystal Valley**



SERVING YOU SINCE 1927



# 2011 ANNUAL REPORT

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SEPTEMBER 1, 2010 - AUGUST 31, 2011

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

PERSONNEL AND ORGANIZATIONAL DATA  
August 31, 2011

**OFFICERS AND DIRECTORS**

<u>Name</u>	<u>Address</u>	<u>Term Expires</u>	<u>Position</u>
Dan Jones.....	Lake Crystal, MN.....	2014.....	Chairman
Bryon Christenson .....	LaSalle, MN.....	2012.....	Vice - Chairman
Mark Christenson.....	Madelia, MN.....	2014.....	Secretary/Treasurer
Dale Wills.....	Nicollet, MN.....	2014.....	Director
Tim Lewer .....	New Richland, MN.....	2012.....	Director
Sandy Seibert.....	Lewisville, MN.....	2012.....	Director
Dean Duffey.....	Lake Crystal, MN.....	2013.....	Director
Tom Trahms.....	Janesville, MN.....	2013.....	Director

Roger Kienholz – General Manager

**ORGANIZATIONAL DATA**

Date of Incorporation..... January 27, 1927

Under Laws of State of ..... Minnesota

Fiscal Year Ends ..... August 31

Main Office..... Lake Crystal, Minnesota

**NATURE OF BUSINESS**

Nature of Business ..... Farmers Cooperative Purchasing and Marketing Association

Products Handled ..... Agronomy, Feed, Grain, Petroleum and Other Farm Supplies





**Gardiner Thomsen**  
Certified Public Accountants

## **Independent Auditors' Report**

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To the Board of Directors  
Crystal Valley Cooperative  
Lake Crystal, Minnesota

We have audited the accompanying consolidated balance sheets of Crystal Valley Cooperative and subsidiary, Lake Crystal, Minnesota, as of August 31, 2011 and 2010, and the related consolidated statement of savings, members' equity and cash flows for the years then ended. The consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Crystal Valley Cooperative and subsidiary, Lake Crystal, Minnesota, as of August 31, 2011 and 2010, and the results of their operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

November 28, 2011

*Gardiner Thomsen*

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

CONSOLIDATED BALANCE SHEETS  
August 31, 2011 and 2010

**ASSETS**

	2011	2010
<b>CURRENT ASSETS</b>		
Cash	\$ 11,253,848	\$ 8,902,125
Marketable Securities	0	93,850
Other Investments	0	169,600
Receivables		
Trade – Net of Allowance for Doubtful Accounts of \$250,000 and \$850,000	10,220,774	10,853,783
Storage and Handling	7,975	0
Grain in Transit	3,241,651	1,485,574
Other	1,021,622	778,122
Margin Deposits	29,741,617	7,458,249
Inventories		
Grain	29,727,132	4,763,123
Agronomy	30,006,446	16,896,794
Feed	2,069,506	1,155,363
Petroleum	447,060	907,546
Propane	664,080	491,024
Miscellaneous	176,781	217,800
Prepaid Expenses	97,765	1,115,430
Prepaid Inventory	5,962,636	3,286,262
Deferred Tax Asset	209,923	169,789
Total Current Assets	<b>124,848,816</b>	<b>58,744,434</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land & Improvements	2,527,388	2,273,105
Buildings & Equipment	71,916,322	68,391,866
	<b>74,443,710</b>	<b>70,664,971</b>
Accumulated Depreciation	<b>(43,573,488)</b>	<b>(39,537,828)</b>
Undepreciated Cost	<b>30,870,222</b>	<b>31,127,143</b>
Construction in Process	9,122,426	970,885
Net Property, Plant and Equipment	<b>39,992,648</b>	<b>32,098,028</b>
<b>INVESTMENTS</b>		
Equity in Other Organizations	15,784,152	15,139,628
Other Investments	557,694	555,399
Total Investments	<b>16,341,846</b>	<b>15,695,027</b>
<b>TOTAL ASSETS</b>	<b>\$181,183,310</b>	<b>\$106,537,489</b>

The accompanying notes are an integral part of the consolidated financial statements.

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

CONSOLIDATED BALANCE SHEETS  
August 31, 2011 and 2010

**LIABILITIES AND MEMBERS' EQUITY**

	<b>2011</b>	<b>2010</b>
<b>CURRENT LIABILITIES</b>		
Checks Written in Excess of Bank Balance	\$ 5,098,048	\$ 6,145,431
Current Maturities of Long-Term Debt	2,983,071	1,053,564
Notes Payable – Operating	60,765,994	17,228,903
Member Investment Notes Payables	5,794,234	3,784,601
Trade	9,674,398	11,661,406
Customer Credit Balances	12,309,639	4,961,483
Unpaid Grain	9,493,354	1,636,164
Other	460,416	943,312
Accrued Expenses		
Interest	205,665	64,596
Property Taxes	611,826	540,106
Payroll	1,010,589	966,425
Other	75,078	84,388
Patronage Dividends	1,491,850	1,471,222
<b>Total Current Liabilities</b>	<b>109,974,162</b>	<b>50,541,601</b>
 <b>LONG-TERM LIABILITIES – Net of Current Maturities</b>		
Notes Payable	18,432,623	5,557,692
 <b>DEFERRED INCOME TAXES</b>		
	226,871	279,888
 <b>MEMBERS' EQUITY</b>		
Revolving Fund	25,202,431	25,533,194
Patronage Payable in Equities	2,237,776	2,206,834
Accumulated Other Comprehensive Income	0	51,519
Unallocated General Reserve	25,109,447	22,366,761
<b>Total Members' Equity</b>	<b>52,549,654</b>	<b>50,158,308</b>
 <b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>		
	<b>\$181,183,310</b>	<b>\$106,537,489</b>

The accompanying notes are an integral part of the consolidated financial statements.

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

CONSOLIDATED STATEMENTS OF SAVINGS  
Years Ended August 31, 2011 and 2010

	2011	2010
Sales	<b>\$305,851,530</b>	\$199,227,649
Cost of Goods Sold	<b>280,653,476</b>	179,721,850
Gross Savings on Sales	<b>25,198,054</b>	19,505,799
Other Operating Revenue	<b>10,861,271</b>	11,850,328
Total Gross Revenue	<b>36,059,325</b>	31,356,127
Operating Expenses, Including Interest	<b>31,339,433</b>	26,738,950
Operating Savings	<b>4,719,892</b>	4,617,177
Patronage Dividend Income	<b>2,015,070</b>	1,321,097
Gain on Sale of Marketable Securities	<b>69,774</b>	920
Savings before Income Taxes	<b>6,804,736</b>	5,939,194
Income Taxes		
Current	<b>439,975</b>	220,094
Deferred	<b>(65,410)</b>	(5,588)
Net Savings	<b>\$ 6,430,171</b>	\$ 5,724,688

DISTRIBUTION OF NET SAVINGS

Patronage Dividends		
Cash – 40%	<b>\$ 1,491,850</b>	\$ 1,471,222
Deferred – 60%	<b>2,237,776</b>	2,206,834
	<b>3,729,626</b>	3,678,056
Retained Savings	<b>2,700,545</b>	2,046,632
Total	<b>\$ 6,430,171</b>	\$ 5,724,688

The accompanying notes are an integral part of the consolidated financial statements.

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY  
Years Ended August 31, 2011 and 2010

	Total	Revolving Fund	Allocated Patronage Dividends	Allocated Other Comprehensive Income	Unallocated General Reserve
Balance – August 31, 2009	\$48,547,372	\$25,946,596	\$2,286,388	\$51,519	\$20,262,869
Stock Redeemed	(2,665,067)	(2,665,067)	0	0	0
Distribution of Patronage Dividends	0	2,251,665	(2,251,665)	0	0
Over Accrual of Prior Year	23,434	0	(34,723)	0	58,157
Patronage Dividends					
Adjustments	(897)	0	0	0	(897)
Comprehensive Income					
Current Period Savings	5,724,688	0	0	0	5,724,688
Other Comprehensive Income					
Unrealized Gain on					
Available-for-Sale-Securities					
(Net of \$0 Income Tax)	0	0	0	0	0
<b>Total Comprehensive Income</b>	<b><u>5,724,688</u></b>				
Patronage Dividends					
Cash	(1,471,222)	0	0	0	(1,471,222)
Deferred	0	0	2,206,834	0	(2,206,834)
Balance – August 31, 2010	50,158,308	25,533,194	2,206,834	51,519	22,366,761
Stock Redeemed	(2,473,873)	(2,473,873)	0	0	0
Distribution of Patronage Dividends	0	2,181,013	(2,181,013)	0	0
Over Accrual of Prior Year	16,320	0	(25,821)	0	42,141
Patronage Dividends					
Adjustments	(37,903)	(37,903)	0	0	0
Comprehensive Income					
Current Period Savings	6,430,171	0	0	0	6,430,171
Other Comprehensive Income					
Unrealized Gain on					
Available-for-Sale-Securities					
(Net of \$0 Income Tax)	(51,519)	0	0	(51,519)	0
<b>Total Comprehensive Income</b>	<b><u>6,378,652</u></b>				
Patronage Dividends					
Cash	(1,491,850)	0	0	0	(1,491,850)
Deferred	0	0	2,237,776	0	(2,237,776)
Balance – August 31, 2011	\$52,549,654	\$25,202,431	\$2,237,776	0	25,109,447

The accompanying notes are an integral part of the consolidated financial statements.

**CRYSTAL VALLEY COOPERATIVE**  
**Lake Crystal, Minnesota**

CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years Ended August 31, 2011 and 2010

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Savings	\$ 6,430,171	\$ 5,724,688
Adjustments to Reconcile Net Savings to Net Cash Provided by (Used in) Operating Activities		
Depreciation	5,278,577	4,895,484
Gain on Sale of Property, Plant & Equipment	(538,102)	(302,694)
Bad Debt Expense	1,656,174	969,251
Gain on Sale of Marketable Securities	(69,774)	(920)
Patronage Dividends Received as Equity	(1,229,316)	(688,004)
Deferred Income Taxes	(65,410)	(5,588)
Change in Assets and Liabilities		
(Increase) Decrease in Receivables	(3,030,717)	1,116,348
Increase in Margin Deposits	(22,283,368)	(7,458,249)
Increase in Inventories	(38,659,355)	(5,091,418)
(Increase) Decrease in Prepaid Expenses	1,017,665	(778,487)
(Increase) Decrease in Prepaid Inventory	(2,676,374)	409,492
Increase (Decrease) in Payables	12,735,442	(13,975,198)
Increase (Decrease) in Accrued Expenses	247,643	(310,683)
Net Cash Used in Operating Activities	<b>(41,186,744)</b>	<b>(15,495,978)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Property, Plant & Equipment	579,852	453,450
Additions to Property, Plant & Equipment	(13,214,947)	(12,869,675)
Proceeds from Sale of Marketable Securities	253,964	260,211
Redemption of Equity in Other Organizations	582,497	375,156
Net Cash Used in Investing Activities	<b>(11,798,634)</b>	<b>(11,780,858)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Borrowings Under Line-of-Credit Agreement	45,546,724	19,207,834
Additional Borrowings of Long-Term Debt	16,825,000	5,500,000
Retirement of Long-Term Debt	(2,020,562)	(138,777)
Stock Redeemed	(2,473,873)	(2,665,067)
Allocated Patronage Paid	(1,454,902)	(1,500,824)
Equity Adjustments	(37,903)	(897)
Increase (Decrease) in Checks Written in Excess of Bank Balance	(1,047,383)	1,929,112
Net Cash Provided by Financing Activities	<b>55,337,101</b>	<b>22,331,381</b>
Net Increase (Decrease) in Cash	<b>2,351,723</b>	<b>(4,945,455)</b>
Cash – Beginning of Year	<b>8,902,125</b>	<b>13,847,580</b>
Cash – End of Year	<b>\$11,253,848</b>	<b>\$ 8,902,125</b>

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

	2011	2010
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid (Received) During the Year for:		
Interest	<b>\$2,001,132</b>	\$ 618,931
Income Taxes	<b>(587,982)</b>	1,000,000
<b>SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Allocated Patronage Dividends	<b>\$3,729,626</b>	\$3,678,056

The accompanying notes are an integral part of the consolidated financial statements.

# Notes to Consolidated Financial Statements

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## **Note 1: Organization and Nature of Business**

The Company was organized in 1927 under Minnesota Law and is operating as a cooperative for the mutual benefit of its members. Voting membership is limited to agricultural producers on a one share-one vote premise. Net savings on business transacted by members is allocated to them on the books of the Corporation or paid to them through patronage dividends.

## **Note 2: Summary of Significant Accounting Policies**

The significant accounting practices and policies are summarized below.

### PRINCIPLES OF CONSOLIDATION AND BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Crystal Valley Cooperative and its wholly owned subsidiary. In consolidation, all significant intercompany accounts and transactions have been eliminated from the financial statements.

### NATURE OF OPERATION AND CONCENTRATION OF CREDIT RISK

The Company operates a licensed public grain warehouse; provides grain marketing and related services, sells feed, petroleum and agronomy products and services in and around Blue Earth, Nicollet, Waseca, Watonwan, Brown and LeSueur counties in Minnesota. Approximately 51% of the Company's total gross revenue is generated by agronomy sales and related services. In the normal course of business, the Company provides credit to its patrons under standard terms without collateral.

The Company maintains cash balances with local and national financial institutions, which may at times exceed the coverage of U.S. Federal Deposit Insurance Company (FDIC). The coverage is unlimited for non-interest bearing accounts and up to \$250,000 for interest bearing accounts. At August 31, 2011 and 2010, cash balances exceeded FDIC coverage by \$1,907,586 and \$1,728,694, respectively.

The Company historically prepays or makes deposits on undelivered inventories. Concentration of credit risk with respect to inventory advances, are primarily with a few major suppliers of agricultural inputs. The Company purchases a large amount of its farm supply inventory from Land O'Lakes and CHS, Inc.

### MARKETABLE EQUITY SECURITIES

Marketable securities include equity securities classified as available-for-sale. Marketable securities considered available-for-sale are recorded in the financial statements at fair value, in accordance with the Investments – Debt and Equity Securities Topic of the *Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC)*. Unrealized gains and losses on these investments are included as a separate component of accumulated other comprehensive income. Realized gains and losses on available-for-sale securities are included in current earnings and, when applicable, are reported as a reclassification adjustment in other comprehensive income. Realized gains or losses on sale of securities are based on the average cost of the securities sold and included in current earnings.

## Notes to Consolidated Financial Statements (Continued)

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### Note 2: Summary of Significant Accounting Policies (Continued)

#### RECEIVABLES, NET

Receivables are shown on the balance sheet net of the allowance for doubtful accounts for book purposes. The amount of the allowance is based on historical bad debt experience and a current evaluation of the aging and collectibility of receivables. For tax purposes, uncollectible amounts are charged against current operations and no allowance for doubtful accounts is maintained.

Because of uncertainties inherent in the estimation process, management's estimate of credit losses inherent in the accounts receivable and the related allowance may change in the near term.

Trade receivables with credit balances have been included in the customer credit balances payable as a current liability.

#### GRAIN IN TRANSIT

In accordance with industry practice on contracts, subject to final grade and weight determination at the destination point, the Company consistently records a sale at the time grain is shipped.

#### HEDGING

The Company generally follows a policy of hedging its grain transactions to protect gains and minimize losses due to market fluctuations. Gains and losses from these hedge transactions are reflected in the margins of the respective commodity.

#### FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fair Value Measurements and Disclosures Topic of the FASB ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability between market participants in the principal market or in the most advantageous market when no principal market exists. Market participants are assumed to be independent, knowledgeable, able and willing to transact an exchange and not under duress. Nonperformance or credit risk is considered when determining the fair value of liabilities. Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

#### INVENTORIES

Inventories are valued at the lower of cost (first-in, first-out) or market, with the exception of the grain inventories which are valued at market and are adjusted to reflect significant net gains and/or losses on open contracts. For tax purposes, certain operating expenses are capitalized.

## **Notes to Consolidated Financial Statements (Continued)**

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### ***Note 2: Summary of Significant Accounting Policies (Continued)***

#### PROPERTY, PLANT AND EQUIPMENT

Land and depreciable assets are valued at cost. For book purposes, depreciation is calculated using the straight-line method with an equal amount being expensed each year over the estimated lives of the individual assets ranging between three and fifty years. When fixed assets are sold or retired, any resulting gain or loss is reflected in current operations. For tax purposes, depreciation is calculated in accordance with an acceptable tax method.

Maintenance and repairs are expensed as incurred. Expenditures for new facilities and those which increase the useful lives of the buildings and equipment are capitalized.

Depreciation expense in the amount of \$5,278,577 and \$4,895,484 has been charged against operations for the year ended August 31, 2011 and 2010, respectively.

#### EQUITY IN OTHER ORGANIZATIONS

Equities in other organizations are recorded at cost, plus unredeemed patronage dividends received in the form of capital stock and other equities. Cooperative stocks are not transferable, thereby precluding any market value, but they may be used as collateral in securing loans. Patronage dividends received are recognized as income and any impairment of equities is not recognized by the Company until formal notification is received or when there has been permanent impairment of the carrying volume of the investment. Redemption of these equities is at the discretion of the various organizations.

#### MEMBERS' EQUITY

The Company is organized without capital stock on a membership basis. A membership in the Company may be issued to agriculture producers who reside in the territory served by the Company who patronize the Company by doing not less than \$5,000 in business annually, and who have been approved by the Board of Directors.

Each member is entitled and restricted to only one vote in the affairs of the Company.

#### PATRONAGE DIVIDEND INCOME

Patronage refunds from other cooperatives are recognized as income in the year the Company receives notification from the distributing cooperative.

## **Notes to Consolidated Financial Statements (Continued)**

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### ***Note 2: Summary of Significant Accounting Policies (Continued)***

#### DISTRIBUTION OF NET SAVINGS

Net savings is allocated to patrons on a patronage basis, based on taxable income and in accordance with the articles and bylaws of the Company.

Patronage refunds to members of the cooperative may take the form of either qualified or nonqualified written notices of allocation. The terms qualified and nonqualified refer to the tax aspect of a refund. For a patronage refund to be qualified as an income tax deduction for the Company at least 20% of the refund must be paid in cash. A nonqualified refund then, is a refund where less than 20% of the refund is paid to the member in cash and does not qualify as a tax deduction for the Company.

Unallocated savings, after provision for income taxes, is accounted for as an addition to general reserve.

#### COMPREHENSIVE INCOME REPORTING

The Company accounts for comprehensive income in accordance with the Comprehensive Income Topic of the FASB ASC, which requires comprehensive income and its components to be reported when a company has items of other comprehensive income. Comprehensive income includes net income plus other comprehensive income (i.e., certain revenues, expenses, gains and losses reported as separate components of members' equity rather than in net income).

#### USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### REVENUE RECOGNITION

The Company provides a wide variety of products and services, from production of agricultural inputs such as crop nutrients, fuels, livestock feeds and other farm supplies, to grain marketing, storage and drying services, agronomy spreading and spraying, transportation, and other agricultural related services. Sales are recorded upon transfer of title, which could occur at the time commodities are shipped or upon receipt by the customer, depending on the terms of the transaction. Service revenues are recorded once such services have been rendered.

## Notes to Consolidated Financial Statements (Continued)

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### Note 2: Summary of Significant Accounting Policies (Continued)

#### INCOME TAXES

The Company, as a non-exempt cooperative, is taxed on non-patronage earnings and any patronage earnings not paid or allocated to patrons.

The Company evaluates uncertain tax benefits arising from tax positions taken or expected to be taken based upon the likelihood of being sustained upon examination by applicable tax authorities. If the Company determines that a tax position is more likely than not of being sustained, it recognizes the largest amount of the arising benefit that is greater than 50% likely of being realized upon settlement in the financial statements. Any tax positions taken or expected to be taken that do not pass the more likely than not test, the Company establishes reserves offsetting the benefits related to such positions. Interest and penalties, if any, are included in the current period provision for income taxes in the Company's statement of savings and are included as a current liability in the balance sheet.

#### DEFERRED INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The principal temporary differences are due to the use of different financial reporting and income tax methods for depreciation, bad debts, inventory capitalization, grain quality and compensated absences. Deferred tax assets and liabilities may be reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion of the deferred tax assets or liabilities will not be realized.

#### LEASES

Leases which meet certain criteria are classified as capital leases, and assets and liabilities are recorded at amounts equal to the fair value of the leased properties at the beginning of the respective lease terms. Such assets are amortized evenly over the related lease terms of their economic lives. Leases which do not meet such criteria are classified as operating leases and related rentals are charged to expense as incurred.

#### ADVERTISING EXPENSES

The Company's advertising expenses are charged against income during the year in which they are incurred. Total advertising costs charged to expense for the year ended August 31, 2011 and 2010 was \$90,887 and \$77,393, respectively.

#### DERIVATIVE FINANCIAL INSTRUMENTS

The Company has only limited involvement with derivative instruments and does not use them for trading purposes. They are used to manage well-defined commodity price risks. The Company may use futures, forward, option and swap contracts to reduce the volatility of grain. These contracts permit final settlement by delivery of the specified commodity. These contracts are not designated as hedges as defined by the Derivative and Hedging Topic of the FASB ASC. These contracts are marked to market each month and the unrealized gains or losses are recognized in earnings.

## Notes to Consolidated Financial Statements (Continued)

### Note 2: Summary of Significant Accounting Policies (Continued)

#### OFF-BALANCE SHEET RISK – COMMODITY CONTRACTS

Realized and unrealized gains and losses from future sales and purchase contracts and commitments (grain and farm supply commodities) are included in gross savings. There is a possibility that future changes in market prices may make these contract and commitments more or less valuable, thereby subjecting them to market risk. Risk arises from changes in the value of these contracts and commitments and the potential inability of counterparties to perform under the terms of the contracts. There are numerous factors which may significantly influence the value of these contracts and commitments including market volatility.

### Note 3: Marketable Securities

The following represents the Company's investment in available-for-sale equity securities at August 31, 2011 and 2010:

2011	Shares	Market Value	Cost	Unrealized Gain (Loss)
International Assets Holding Corp. Common Stock	0	\$ 0	\$ 0	\$ 0
2010	Shares	Market Value	Cost	Unrealized Gain (Loss)
FCStone Group, Inc. Common Stock	5,779	\$93,850	\$14,590	\$79,260

Unrealized gains/(losses) on available-for-sale securities in the amount of \$79,260 for the year ended August 31, 2010 have been included in accumulated other comprehensive income net of any deferred income taxes. This amounted to \$51,519 at August 31, 2010. In November 2010, the Company sold all shares of International Assets for a net profit of \$114,295 for the year ended August 31, 2011.

### Note 4: Related Party Transactions

The Company, organized on a cooperative basis, conducts a substantial portion of their operations with the members (owners) of the Company and has ownership interests in various regional cooperatives from whom they purchase products for resale or sell products to.

The Company sells to and purchases grain from the board of directors and certain employees. The aggregate of these transactions is not significant to the financial statements.

## Notes to Consolidated Financial Statements (Continued)

### Note 5: Construction in Process

Construction in process is stated at cost. No provision for depreciation is made on construction in process until such time as the relevant assets are completed and put into service. Construction in process at August 31, 2011 and 2010 consists of the following:

2011	Costs to Date	Estimated Completion Cost	Completion Date
Behlen Flat Storage Bldg.	\$9,001,215	\$ 9,925,000	12-01-11
LP Plant Upgrade – Nicollet	13,266	39,798	12-01-11
LP Plant Upgrade – Darfur	13,266	39,798	12-01-11
Compuweigh GMS System	94,179	111,050	12-01-11
750 Gal. Fuel Trailer	500	11,241	12-01-11
	<u>\$9,122,426</u>	<u>\$10,126,887</u>	

  

2010	Costs to Date	Completion Cost	Completion Date
Bulk Chemical Dispensing System	\$ 4,382	\$ 95,000	03-01-11
New Shop @ Madelia Hwy 60	156,611	440,000	02-01-11
McCraab Grain Probe	16,500	27,400	11-01-11
Behlen Flat Storage Bldg.	793,392	7,000,000	07-01-11
	<u>\$ 970,885</u>	<u>\$ 7,562,400</u>	

### Note 6: Investments

Equity in other organizations consist of purchased equities, which are valued at cost, and equities received as patronage dividend income, which are carried at face value. Losses are recognized on these investments when the Company receives formal notification of loss allocations from the investee, or when there has been permanent impairment of the carrying value of the investment. Redemption of these equities is at the discretion of the various organizations, thereby making it impracticable to estimate future cash flows from these investments.

At August 31, 2011 and 2010 the company had investments in other organizations as follows:

	2011	2010
Equity in Other Organizations		
CHS, Inc.	\$11,130,532	\$10,598,781
Land O'Lakes	3,415,006	3,370,575
CoBank, ACB	1,066,891	971,573
Renville Co-op Transport	132,819	153,797
Western Co-op Transport	77,638	77,638
Tri-County Coop Oil (Purchased at Discount)	(180,058)	(180,058)
Ag Processing, Inc.	28,297	28,297
Others	113,027	119,025
	<u>15,784,152</u>	<u>15,139,628</u>

## Notes to Consolidated Financial Statements (Continued)

### Note 6: Investments (Continued)

	2011	2010
Other Investments		
Pillar Insurance Limited	\$ 356,819	\$ 356,819
Northstar Ethanol, LLC	150,875	148,580
AgQuest Financial	50,000	50,000
Heartland Corn Products (Current Asset for 2010)	0	169,600
	<u>557,694</u>	<u>724,999</u>
	<u>\$16,341,846</u>	<u>\$15,864,627</u>

During the year, the Company sold all of its shares in Heartland Corn Products for an overall net loss of \$44,518 for the year ended August 31, 2011.

### Note 7: Financing Arrangements

Financing arrangements as of August 31, 2011 and 2010 were as follows:

Lender	Interest Rate	Balance 2011	Balance 2010	Repayment Basis
CoBank, ACB				Commitment reductions of
RIZ237T01E				\$250,000 on 2/20/11 and \$481,500
Variable	2.73%*	\$12,037,000	\$5,500,000	each quarter starting 5/20/11.
Bullet		0	1,000,000	Balance due on 11/20/17.
RIZ237T02A				Commitment reductions of
Variable	2.73%*	9,321,000	0	\$175,000 on 2/20/11 and then
				\$252,000 each quarter starting
				5/20/11. Balance due on 11/20/20.
Minnesota Dept. of Transportation				
DOT Rail Loan #83236	0.00%	15,000	35,000	\$5,000 Quarterly – Due 4/10/12.
Alliant Energy				Monthly installments
Vernon Center Upgrade	1.50%	42,694	76,256	of \$2,873, starting
				11-13-07. Due 11-15-12.
		<u>21,415,694</u>	<u>6,611,256</u>	
Less: Current Maturities		<u>2,983,071</u>	<u>1,053,564</u>	
Long-Term Debt		<u>\$18,432,623</u>	<u>\$5,557,692</u>	

\* - Denotes continuously variable interest rate.

## Notes to Consolidated Financial Statements (Continued)

### Note 7: Financing Arrangements (Continued)

Seasonal borrowings in effect at August 31, 2011 and 2010 are as follows:

Lender	Interest Rate	Balance 2011	Balance 2010	Repayment Basis
CoBank, ACB RIZ237SO1P				
Variable	2.48%*	\$60,765,994	\$17,228,903	Due 3/1/12.
Member Investments Notes	2.50%	5,794,234	3,784,601	Due upon demand.

\* - Denotes continuously variable interest rate

Loan Commitments in effect at August 31, 2011 were as follows:

	2011	2010
Operating	\$95,000,000	\$55,000,000
Term	21,358,000	6,500,000

The CoBank, ACB notes are secured by a first mortgage lien on all real property owned by the Company and a security agreement covering all personal property, including inventory and accounts receivable arising from the sale thereof, subject only to first mortgages and security agreements for other contracts. The Company also has \$1,066,891 and \$971,573 of equity in the bank at August 31 2011 and 2010, respectively, which is held as additional collateral.

Restrictive covenants on the CoBank, ACB loan agreements provide, among other things, (1) maintaining minimum working capital during the year and at year end, (2) restrictions on incurring additional indebtedness, (3) maintaining a minimum amount of contingent liabilities, (4) maintaining a minimum net worth and other covenants as determined by the bank.

The Minnesota Department of Transportation loan #83236 is secured by a lien on all construction and/or improvements to the Company's property financed by the proceeds of this loan.

Alliant Energy loans are secured by a first security interest lien on the energy efficient equipment installed.

The member investment notes to patrons are unsecured and due on demand.

## Notes to Consolidated Financial Statements (Continued)

### Note 7: Financing Arrangements (Continued)

Aggregate annual maturities of the long-term debt outstanding at August 31, 2011 are as follows:

Maturity Date Year Ending August 31	
2012	\$ 2,983,071
2013	2,942,623
2014	2,934,000
2015	2,934,000
2016	2,934,000
2017 & Thereafter	6,688,000
	<u>\$21,415,694</u>

Interest expense charged to operations at August 31, 2011 and 2010 was \$2,142,201 and \$656,527, respectively.

### Note 8: Unpaid Grain

Unpaid grain at August 31, 2011 and 2010 consisted of price later contracts, deferred payments contracts, priced-not paid grain, and various other grain contracts. Price later contracts represent grain on which title has passed to the Company with the price to be fixed at a later date. Deferred payment contracts represent grain on which title has passed to the company and payment is deferred to a later date. Unpaid grain also includes minimum price, enhanced minimum price, and extended grain pricing contracts, of which title has transferred, minimum/advance payments have been made to seller with final price yet to be determined, based on a later pricing of a future position. These contracts are valued at the current bid net of any adjustment for unrealized gains or losses in relation to the corresponding future or option position. The contracts are summarized as follows:

	2011		2010	
	Bushels	Amount	Bushels	Amount
Price Later Contracts				
Corn	128,684	\$ 958,211	25,019	\$ 92,273
Soybeans	10,611	147,382	6,785	69,004
		<u>1,105,593</u>		<u>161,277</u>
Deferred Payment Contracts				
Corn	236,544	1,183,159	338,219	1,187,023
Soybeans	65,106	685,045	30,038	283,315
Wheat	0	0	889	4,549
		<u>1,868,204</u>		<u>1,474,887</u>

## Notes to Consolidated Financial Statements (Continued)

### Note 8: Unpaid Grain (Continued)

	2011		2010	
	Bushels	Amount	Bushels	Amount
Priced Not Paid Contracts				
Corn	1,128,917	\$5,821,290	0	\$ 0
Soybeans	71,312	744,272	0	0
		<u>6,565,562</u>		<u>0</u>
Less: Advances		<u>46,005</u>		<u>0</u>
		<u>\$9,493,354</u>		<u>\$1,636,164</u>

The Company merchandises grain utilizing hedge-to-arrive contracts (HTA). HTA contracts are forward type grain contracts, representing a commitment by the patrons to deliver grain in the future with the final pricing to be established by the delivery date. Under these contracts the patron has established a specific commodity's futures price and period to be used in the equation of the final pricing. The patron, upon final pricing, is obligated for the difference between their established commodity's future price and the current market value of the specified futures period. The Company has established positions on the commodity futures market to cover these contracts and protect themselves against future changes in market prices.

The Company is contingently at risk from various factors which may significantly influence the fair value of the HTA contract commitments. These factors include market volatility, the potential inability to deliver quantities relative to their annual production, and the patron's willingness to perform under the terms of the HTA contract agreements. Because of the uncertainties inherent in the estimate of the fair value of these contracts, management's estimate of the fair value of these contracts may change as future changes in the market prices make these contracts more or less valuable.

### Note 9: Pension Plan

The Company has a 401(k) pension plan that covers substantially all full-time employees. Employer payments to the plan are equal to 100% of each participant's contribution to a maximum of 5% of each participant's regular compensation. Pension costs are funded as they are accrued. Employer contributions at August 31, 2011 and 2010 was \$254,897 and \$282,716, respectively.

## Notes to Consolidated Financial Statements (Continued)

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### Note 10: Members' Equity

#### Revolving Fund

The patrons' revolving fund account was established for the purpose of acquiring non-stock capital. The Company maintains a record of the holders of credits and the amount allocated to each holder. The principal source of additions to the patrons' equity are the capital contributions by each member of a portion of his share of the patrons' net margins. Patrons' equity credits may be retired at anytime at the discretion of the Board of Directors. During the year ended August 31, 2011 and 2010, \$2,473,873 and \$2,665,067, respectively, were retired. The Company holds a first lien on each patrons' equity credit for any indebtedness of the holder to the Company.

#### General Reserve

Total net margins less the patrons' net margins, as defined in the articles and bylaws of the Company, are designated as the Company's net margins. These margins are taxable to the Company and consist of patronage-sourced margins not allocated, as well as all non-patronage-sourced net margins.

### Note 11: Income Taxes

Components of the provision for income tax expense for the years ended August 31, 2011 and 2010 was as follows:

	2011	2010
Federal Income Tax	\$ 55	\$ 0
State Income Tax	362,943	276,350
(Over)/Under Accrual of Prior Years	76,977	(56,256)
	<u>\$439,975</u>	<u>\$220,094</u>
Deferred Tax Expense (Income)	<u>\$ (65,410)</u>	<u>\$ (5,588)</u>

Total income tax expense for the year ended August 31, 2011, was less than the normal amount computed by applying the U.S. federal income tax rate to savings before income taxes primarily because of allocated patronage dividends, the surtax exemption, permanent timing differences, and temporary timing differences creating deferred income taxes.

The Company has excluded allocated patronage dividends from its taxable income for the years ended August 31, 2011 and 2010, as provided under Section 1382 of the Internal Revenue Code. In order to utilize this exclusion, at least 20% of the patronage dividends amounting to \$745,925 and \$735,611 in 2011 and 2010, respectively, must be or were paid in cash by May 15, 2012 and 2011, respectively. The Company has elected to pay 40% in cash, which amounted to \$1,491,850 and \$1,471,222 for the years ended August 31, 2011 and 2010, respectively.

## Notes to Consolidated Financial Statements (Continued)

### Note 11: Income Taxes (Continued)

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred taxes are classified as current or non-current, depending on the classification of the assets and liabilities to which they relate. Deferred taxes arising from timing differences that are not related to an asset or liability as current or non-current depending on the periods in which the timing differences are expected to reverse.

Amounts for deferred tax assets and liabilities at August 31, 2011 and 2010 are as follows:

	2011	2010
Deferred Tax Asset (Liability) – Current		
Allowance for Doubtful Accounts	\$ 30,000	\$102,000
Compensated Absences	60,910	54,411
Inventory Capitalization	95,727	41,119
OCI – Marketable Securities	0	(27,741)
Biodiesel Credits	23,286	0
	<u>\$209,923</u>	<u>\$169,789</u>
Deferred Tax Liability – Non-Current		
Depreciation – Book/Tax Difference	<u>\$226,871</u>	<u>\$279,888</u>

The Company recognizes any uncertain tax benefits if such benefits are a result of a tax position that is more likely than not sustainable upon examination by Federal or State tax authorities. When an uncertain benefit is determined to be more likely than not sustained, the Company values the position, for financial statement purposes, of the largest amount of the tax benefit that is more than 50% likely of being realized upon resolution of the benefit. For any tax positions taken that do not meet the more likely than not criteria, the Company establishes a tax reserve for 100% of the position taken.

As of August 31, 2011, no significant amounts of unrecognized tax benefits existed nor does the Company anticipate any significant changes in unrecognized tax benefits to occur within the next year, other than tax settlements.

The Company files tax returns with the Internal Revenue Service and the State of Minnesota. As of August 31, 2011, the Company is no longer subject to examinations by relevant tax authorities for the fiscal years prior to August 31, 2008. However, the Company amended their August 31, 2006 tax return on March 19, 2010, subjecting that tax year to another three years examination. The Company also amended their August 31, 2007 tax return on May 6, 2011, subjecting that tax year to another three years examination.

### Note 12: Operating Leases

The Company has various cancelable operating leases and rental agreements on property and various types of equipment. Rental expense for the year ended August 31, 2011 and 2010 amounted to \$346,160 and \$331,135, respectively.

## Notes to Consolidated Financial Statements (Continued)

### Note 13: Fair Value Measurements

The Company determines the fair value of certain inventories of agricultural commodities, derivative contracts, and marketable securities based on the fair value definition and hierarchy levels as established below:

- Level 1 Values are based on unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access. These assets include the exchange-traded commodity instruments.
- Level 2 Values are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities exchanged in inactive markets. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. These assets include the grain inventory and the gain or loss on forward contracts.
- Level 3 Values are based on unobservable inputs that are supported by little, if any, market activity. These unobservable inputs would reflect management's own estimates of assumptions that market participants would use in pricing related assets or liabilities.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The carrying value of the Company's other financial instruments, consisting principally of trade receivables, accounts payable, lines of credit and other obligations, approximates fair value due to the short-term maturity of these instruments. The carrying value of long-term borrowings approximates fair value as the interest the Company could obtain on similar debt instruments approximate the interest rates of current debt obligations. The Company's investments in other cooperatives are stated at cost. There is no established market for these investments, and it is not otherwise practical to determine the fair value of investments in cooperatives.

The following table sets forth the level, within the fair value hierarchy, the Company's assets and liabilities at fair value as of August 31, 2011 and 2010:

	Assets at Fair Values as of August 31, 2011			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Grain Inventories	\$ 0	\$13,523,466	\$0	\$13,523,466
Forward Grain Contracts	0	37,376,153	0	37,376,153
	<u>\$ 0</u>	<u>\$50,899,619</u>	<u>\$0</u>	<u>\$50,899,619</u>
Financial Liabilities				
Futures Grain Contracts	<u>\$21,172,487</u>	<u>\$ 0</u>	<u>\$</u>	<u>\$21,172,487</u>

## Notes to Consolidated Financial Statements (Continued)

### Note 13: Fair Value Measurements (Continued)

	Assets at Fair Values as of August 31, 2010			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Marketable Securities	\$ 93,850	\$ 0	\$0	\$ 93,850
Grain Inventories	0	5,309,400	0	5,309,400
Forward Grain Contracts	0	2,923,985	0	2,923,985
	<u>\$ 93,850</u>	<u>\$8,233,385</u>	<u>\$0</u>	<u>\$8,327,235</u>
Financial Liabilities				
Futures Grain Contracts	\$3,470,262	\$ 0	\$0	\$3,470,262

### Note 14: Derivative Instruments

The Company's purpose for entering into derivatives and its overall risk management strategies are discussed in Note 2.

The fair value of derivatives is located in Inventories on the balance sheets. The fair value of commodity derivatives (future contracts and options) is as follows at August 31:

	2011	2010
Derivative Assets (Liabilities)		
Commodity Futures Contracts	<u>\$(21,172,487)</u>	<u>\$(3,470,262)</u>

Gains and losses on commodity derivatives are located in Gross Savings on Sales on the Statement of Savings. Net gains (losses) on futures contracts for the years ended August 31, 2011 and 2010, were \$(53,468,759) and \$(3,052,905), respectively.

### Note 15: Commitments and Contingencies

- a. The Company is contingently liable for any weight or grade deficiencies that may occur at time of delivery on 389,971 bushels of grain in storage under warehouse receipts or awaiting disposition at August 31, 2011.

Daily Position Record (DPR)	Corn	Soybeans	Oats	Wheat
Open Storage	192,990	47,265	0	0
Warehouse Receipts				
Negotiable	0	1,000	0	0
Grain Bank	148,716	0	0	0
Storage Obligation	341,706	48,265	0	0
Company Owned – Unpaid	1,494,146	147,028	0	0
Company Owned – Paid	391,915	(42,279)	6,960	0
Total Company Owned	1,886,061	104,749	6,960	0
Total Obligations Per DPR	2,227,767	153,014	6,960	0

## Notes to Consolidated Financial Statements (Continued)

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### Note 15: Commitments and Contingencies (Continued)

- b. The Company has entered into an agreement with Partners in Production where the Partners in Production will provide input financing to certain company patrons. The Company agrees to perform services regarding the origination, servicing, and collection of completed documents from patrons and related parties. The Company will guarantee 0% to 100% of the total non-collectible producer loan amounts, as well as 0% to 100% of any expenses incurred by the Partners in Production in the collection or attempted collection of any patron loan. Total Patron note balance and the outstanding balances as of August 31, 2011 is as follows:

Company Recourse Limit	\$500,000
Total Producer Loan Commitment	490,700
Outstanding Principal Balance	291,385
Maximum Potential Liability	95,125

- c. The Company is a guarantor of loan obligations held by AgQuest Financial Services, Inc. The loan guarantee pool which is not to exceed \$1,000,000, is given to induce AgQuest to make loans to the Company's patrons to promote production of agriculture in the trade area.
- d. The Company is subject to various federal and state regulations regarding the care, delivery and containment of products which the Company handles and has handled. The Company is contingently liable for any associated costs which could arise from the handling, delivery and containment of these products.
- e. The Company has a self-insured health plan for its employees. The Company has purchased stop-loss insurance in order to limit its exposure, which will reimburse the Company for individual claims in excess of \$50,000 annually or aggregate claims exceeding 125% of expected claims annually. Self-insurance losses are accrued based on the Company's estimates of the aggregate liability for uninsured claims incurred using certain actuarial assumptions followed in the insurance industry. At August 31, 2011 and 2010 the accrued liability for self-insurance losses was \$0.
- f. The Company is a member of a group of other agricultural cooperatives in the Access Insurance Association Workers Compensation Self Insurance Group. The Company pays an annual premium to the plan to cover administrative, group co-insurance and reinsurance costs. Assessments are possible for each member depending on their incurred losses for the calendar plan year if the Company's losses exceed 50% of their premium with a maximum assessment not to exceed their annual premium. The assessment, if applicable, is payable in two equal installments the following year. The Company's annual premium for 2011 and 2010 was \$243,393 and \$252,312, respectively.

### Note 16: Subsequent Event

The Company has considered the effect, if any, that events occurring after the balance sheet date and up to November 28, 2011 have on the financial statements as presented. This date coincides with the date the financial statements were available to be issued.

# Five Year Financial Highlights

## OPERATING STATEMENT

	2011	2010	2009	2008	2007
Sales	<b>\$305,851,530</b>	\$199,227,649	\$239,063,002	\$222,668,968	\$162,525,854
Cost of Goods Sold	<b>280,653,476</b>	179,721,850	218,087,621	201,905,318	144,436,386
Gross Margin	<b>25,198,054</b>	19,505,799	20,975,381	20,763,650	18,089,468
Percentage	<b>8.24%</b>	9.79%	8.77%	9.32%	11.13%
Operating Revenue	<b>10,861,271</b>	11,850,328	10,957,893	8,160,710	7,297,160
Total Gross Revenue	<b>36,059,325</b>	31,356,127	31,933,274	28,924,360	25,386,628
Operating Expenses	<b>31,339,433</b>	26,738,950	27,379,474	24,974,126	22,536,979
Operating Savings	<b>4,719,892</b>	4,617,177	4,553,800	3,950,234	2,849,649
Percentage	<b>1.54%</b>	2.32%	1.90%	1.77%	1.75%
Patronage Dividend Income	<b>2,015,070</b>	1,321,097	3,102,865	2,614,453	1,711,270
Gain (Loss) on Sale of Marketable Securities	<b>69,774</b>	920	(1,857)	1,414,887	141,604
Savings Before Income Taxes	<b>6,804,736</b>	5,939,194	7,654,808	7,979,574	4,702,523
Income Taxes	<b>374,565</b>	214,506	1,100,805	722,232	1,133,009
Net Savings	<b>\$ 6,430,171</b>	\$ 5,724,688	\$ 6,554,003	\$ 7,257,342	\$ 3,569,514

## DISTRIBUTION OF NET SAVINGS

	2011	2010	2009	2008	2007
Patronage Dividends					
Cash – 40%	\$ <b>1,491,850</b>	\$ 1,471,222	\$ 1,524,258	\$ 1,238,628	\$ 766,212
Deferred – 60%	<b>2,237,776</b>	2,206,834	2,286,388	1,857,941	1,149,317
Total Dividends	<b>3,729,626</b>	3,678,056	3,810,646	3,096,569	1,915,529
Retained Savings	<b>\$ 2,700,545</b>	\$ 2,046,632	\$ 2,743,357	\$ 4,160,773	\$ 1,653,985

# Five Year Financial Highlights

## BALANCE SHEETS

	2011	2010	2009	2008	2007
<b>ASSETS</b>					
Current Assets	<b>\$124,848,816</b>	\$ 58,744,434	\$ 52,608,631	\$ 94,566,777	\$ 46,385,174
Property, Plant & Equipment	<b>39,992,648</b>	32,098,028	24,274,593	23,974,700	23,266,239
Other Assets	<b>0</b>	0	0	0	173,368
Investments	<b>16,341,846</b>	15,695,027	15,811,070	15,773,754	15,433,106
<b>TOTAL ASSETS</b>	<b>181,183,310</b>	106,537,489	92,694,294	134,315,231	85,257,887
Current Liabilities	<b>109,974,164</b>	50,541,601	42,828,787	85,089,887	38,706,321
Long Term Debt	<b>18,432,623</b>	5,557,692	1,111,254	2,645,033	3,261,429
Deferred Income Tax	<b>226,871</b>	279,888	206,881	168,191	184,603
Members' Equity	<b>52,549,654</b>	50,158,308	48,547,372	46,412,120	43,105,534
<b>TOTAL LIABILITIES</b>	<b>\$181,183,310</b>	\$ 106,537,489	\$ 92,694,294	\$ 134,315,231	\$ 85,257,887
Working Capital	<b>\$ 14,874,654</b>	\$ 8,202,853	\$ 9,779,844	\$ 9,476,890	\$ 7,678,853

## FIXED ASSET EXPENDITURES

	2011	2010	2009	2008	2007
Expenditures	\$13,214,947	\$ 12,045,134	\$ 4,970,861	\$ 4,829,466	\$ 3,974,396

## EQUITY REVOLVEMENT

	2011	2010	2009	2008	2007
Equity Revolvement	\$2,473,873	\$ 2,665,067	\$ 2,710,728	\$ 2,120,645	\$ 1,690,659



# CRYSTAL VALLEY COOPERATIVE

JIM ANDERSON  
JASON ANDROLI  
BRETT ANNEXSTAD  
LENNY BABCOCK  
DEAN BAROTT  
LESLIE BARR  
TOM BASMOEN  
CHRIS BAUMGARD  
TERRY BLOOMQUIST  
WILL BLOWERS  
PERRY BLYTHE  
NATHAN BOOMGARDEN  
DAVE BORCHARDT  
DALE BOTTEN  
RYAN BRANDTS  
TRAVIS BREKKEN  
CHERI BRUMMUND  
ROSE BURGESS  
BRENDON CARAWAY  
ROSIE CHAMBERLEN  
JUNITA CHRISTENSEN  
MARTY CHRISTIANSON  
CHAD CLOBES  
JAKE COLE  
BILL COONRADT  
RUSS CRAWFORD  
JIM CUTLER  
ARVIN DAHL  
DAVID DAHL  
JARED DANBERRY  
TIM DANBERRY  
BRIAN DAVIS  
TIM DOUGHERTY  
JOE EBARGARY  
MATT EISCHEN  
ANTHONY ELG  
STEVE ENDERLE  
DON EPPER  
SCOTT ERIKSON  
JAMES FLINTROP  
TANNER FLITTER  
DAVE FRANTUM  
JIM FRIEDRICHS  
GRANT FRITON  
JOHN GRAHAM  
CINDY HALER  
TOM HANSEN  
JAMIE HELGET  
DALE HOEPER  
ERIC HOPP  
PAUL HUEBERT  
GARY HULKE  
RANDY HULKE  
JOSH IVERSON

TONY JACOBS  
KEVIN JEURISSEN  
SHERI JOHNSON  
CHRIS JULIAR  
LOGAN JULIAR  
JIM JUNG  
LEE KACHELMEIER  
JERRICK KALIS  
TERRY KALIS  
LUCAS KIETZER  
ROGER KIENHOLZ  
CRAIG KOENIG  
KRISTA KUEKER  
JOLENE KUSTER  
AARON LACHMILLER  
BILL LANDIN  
PAUL LANGE  
JON LANGLAND  
GREG LASSAS  
JASON LEARY  
DAN LEIDING  
ASHLEY LEIVERMANN  
TIM LEWIS  
GERRI LIENKE  
DAVE LIMOGES  
ANDREW LLOYD  
JENNA MANSKE  
FREDDIE MARTINEZ  
EUGENE MEYER  
MARK MEYER  
JOE MICHAELIS  
STEVE MICHELS  
DORIS MILLER  
PAUL MILLER  
MATT MISSLING  
KEVIN MONAHAN  
NATHAN MONROE  
DEAN MORRISON  
KEVIN MOULDER  
ERIC NELSON  
JOYCE NELSON  
MARK NORELL  
CHELSEY PASBRIG  
MARLENE PETERS  
KYLE PETERSON  
TAMMY PETTERSON  
SUSAN PIPER  
JEFF PLUYM  
JAMES PRINCE  
SHANE REASOR  
LES REED  
BRIAN REID  
CASEY RIEBE  
MEGAN ROBERTS

KEVIN ROEKER  
NIK SAMUELSON  
RITCHIE SCHAEFER  
MIKE SCHEIBEL  
JAY SCHLOMANN  
MATT SCHOPER  
SCOTT SCHOPER  
JENNIFER SCHULTZ  
MIKE SCHWANKE  
SAM SCHWARK  
BRAD SCHWARZ  
CHRIS SENNE  
SHANE SHUMSKI  
TODD SITTIG  
DIANE SLONIKER  
DARYL SONNABEND  
GARY SPENCE  
JEFF SPENCE  
JEFF STAUFFER  
AL STOKES  
JIM TEAGUE  
JOHN THOMAS  
GLENN THOMPSON  
STAN TIMMERMANN  
DALE TISCHER  
DREW TOLZMANN  
MATT TRCKA  
DAN TRULLINGER  
DAVE ULFERS  
TRENT WADD  
TODD WIHLM  
JOE WILLIAMS  
DARIN WILMES  
GINA WINDSCHITL  
GAYLE WOLF  
KATIE WOLLE  
ELDON WRIGHT  
BEN YOUNGERBERG  
JOEL ZIMMERMAN  
CHRIS ZINS  
GLENYS ZINS