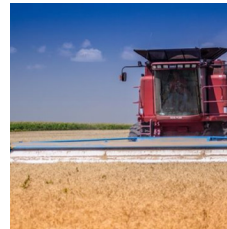
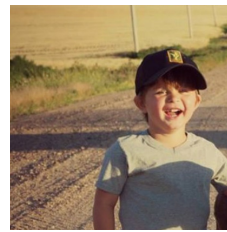
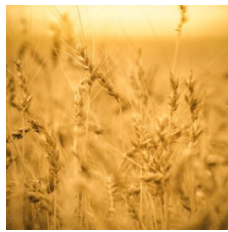
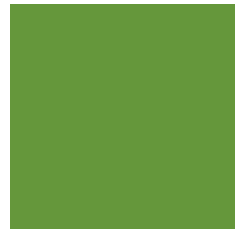
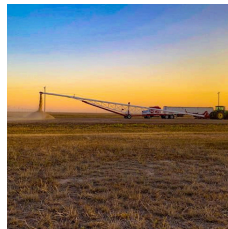




GARDEN CITY CO-OP

ESTABLISHED 1919



we believe
1919-2019



In looking at where we are going, we must look at where we came from. We came from a group of people who were **strong, determined** and full of **hope**.

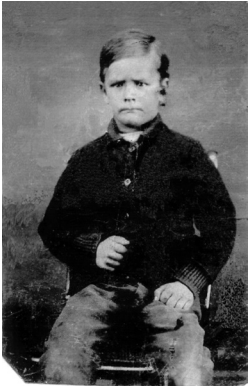
They saw a future through drought, hail and dust storms, and continued to believe that there would be rain. More times than not, they were not disappointed.

The rain came, the crops grew and there was **strength in the survival**. Since it's founding in 1919, The Garden City Co-op, Inc. has also hoped for the rain, and when it came, celebrated with its member owners, now more than **2,000 strong**.



THROUGH THE YEARS 1919-2019

Celebrating 100 Years of Moving Forward Together



Young R.J. - Age 7

October 10, 1873 | R.J. Ackley Born
Robert "Bob" Johnson (R.J.) Ackley is born in Winchester, KS. Son of Uriah Sanford Ackley and Margaret E. Varner. His mother died when he was six years old and his father was a scout along the Santa Fe trail for the Union Army during the Civil War and wasn't home much of the time so he was watched by his older sisters until family friends, Peter and Margaret (Martin) Noffsinger, Jr. took Bob in and raised him. R.J. Ackley later founded GC Co-op.

July 6, 1915
First Charter for the Garden City Co-op signed by R.J. Ackley, T.M. Jones, A.R. Towles, D.D. Moore, C.P. Hamilton and contained the names of 20 stockholders.

1906
R.J. Ackley Arrives in Garden City



1917

1917
Farmers vote to disband after Dr. Samuel E (S.E.) Ball's company convinces them to invest in a chain store catalogue business venture that turned out to be a scam.

April 23, 1921
R.J. Ackley is elected as President/Chairman of the Garden City Co-op Board of Directors. Henry Myers - Vice President, C.E. Adams - Secretary/Treasurer, T.M. Jones & Frank Reed - Directors

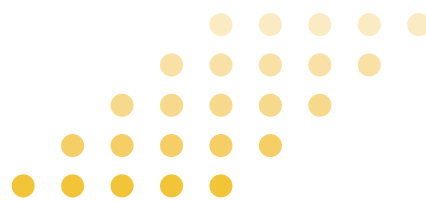
1919

August 15, 1919
The Garden City Co-op purchases their first wooden frame elevator from J.E. Kirk with a 10,000 bushel capacity for \$10,750.

August 16, 1919
The Garden City Co-op is chartered for a second time.



1924



1924
Second wooden elevator purchased with a 60,000 bushel capacity.

1929
Investment in Union Oil Company (later, CCA and finally, Farmland Industries).

1931
Pierceville Elevator was built, a wooden frame elevator holding 18,000 bushels purchased for \$12,519.

1933
Tennis Elevator acquired for \$12,870.58. This wooden elevator had 15,000 bushels of storage and was named after E.A. Tennis – the general manager of the Garden City, Gulf and Northern Railroads, having access to railroad service.

1947
First concrete elevator “Garden City A” built. The head house and west storage tanks had a storage capacity of 625,000 bushels.

NEW CHAIRMAN HERB CLUTTER

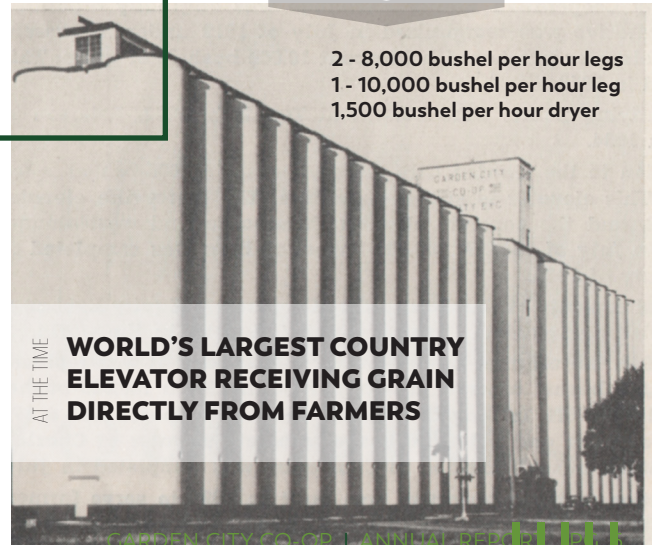


1949
RJ steps down as chairman but remains on the board of directors. Herb Clutter is elected chairman in his place.

November 1949
Wolf elevator constructed with a 100,000 bushel, four-tank headhouse with a 5,000 bushel per hour elevating leg for \$90,300.

1948
An additional 700,000 bushels of storage was built at Garden City A, bringing total capacity to 1,325,000 bushels.

2 - 8,000 bushel per hour legs
1 - 10,000 bushel per hour leg
1,500 bushel per hour dryer



AT THE TIME **WORLD'S LARGEST COUNTRY ELEVATOR RECEIVING GRAIN DIRECTLY FROM FARMERS**

1947

1950

Herb Clutter is instrumental in forming legislation that led to the formation of the Kansas Association and National Association of Wheat Growers, serves as first President of both organizations.

February 1950

Charleston elevator was purchased from Moore Grain Company with a 105,000 bushel capacity and an additional wooden frame elevator with a 17,000 bushel capacity at a cost of \$166,000.

1953

1953

President Eisenhower appoints GCC Board Chairman, Herb Clutter, to his newly established Federal Farm Credit Board, of which he served a four year term but declined reappointment in 1957.

1953

Tennis constructs its concrete elevators with 500,000 bushel capacity at a cost of \$248,000.

1960s



R.J. DIES AT 85

May 1958

R.J. Ackley retires from the board of directors of the Garden City Co-op at the 39th Annual Meeting after serving for 39 years.

November 3, 1958

R.J. Ackley dies after a brief illness

November 15, 1959

Chairman of the board, Herb Clutter, was tragically murdered along with his wife Bonnie, daughter Nancy, and son, Kenyon at their home in Holcomb, Kansas by Perry Smith and Dick Hickock.

1960

Board authorized GCC management to negotiate loans with the Wichita Bank for Cooperatives – loan could not exceed \$1.97 million at any one time.

February 1960

GCC changes insurance over to KFSA. General Manager George Voth is instructed to transfer elevator and truck insurance coverage to the Kansas Farmers Service Association in February. KFSA is a cooperative owned insurance company.



1963

The Garden City Co-op's main office building is built at 106 N. 6th St. in Garden City – total cost of \$352,173.

May 1963

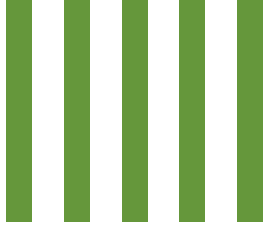
First board meeting held in current main office

1975

GCC purchases Gano elevator from Far-Mar-Co, storage capacity of 650,000 bushels at a cost of \$700,000.

NAMED FOR GEORGE GANO





ELEVATOR B GARDEN CITY

1977
A new 1,077,000 bushel concrete elevator was built at Deerfield with two 10,000 bph legs.



April 1998
“Elevator B” in Garden City was purchased from Cargill, Inc. It holds 256,000 bushels and a 12,000 bushel per hour leg. It is used for storage of soybeans and white wheat.



April 1, 2005
Merged with Farmer’s Cooperative Elevator and Mercantile Association of Dighton. Gained:
• Dighton Elevator - 1,751,000 bushels
• Amy - 1,611,000 bushels
• Alamota - 1,050,000 bushels
• Shields - 668,000 bushels



1989
The Wichita Bank for Cooperatives merges with ten other banks to form CoBank, giving a lot more financial flexibility, largely thanks to the leadership of Otis Molz. He served as a director of the board from the very beginning, being chairman from 1992-2003.

1997
The Garden City Co-op forms Windriver Grain, LLC with Cargill, Inc. and constructs a train shuttle loader in Garden City. Later, Sublette Cooperative Inc., Irsik and Doll and Scott Cooperative Association are added as additional owners.



June 1, 2006
Acquired elevators from Sullivan Grain, Inc. in Ulysses.
• Ulysses - 3,004,000 bushels
• Milepost - 772,000 bushels
• Hickok - 946,000 bushels
• Lakin - 150,000 bushels



1997

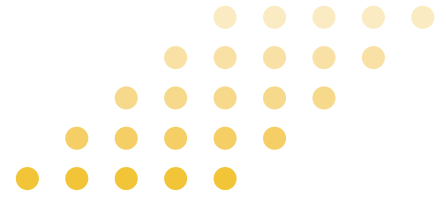


2013

The Plymell Elevator is built. It is the first autonomous elevator GCC owns. It has a licensed storage capacity of 1,061,000 bushels.

2017

GCC Partners with South Dakota Wheat Grower's Ag Technology Platform "MZB", using zone mapping and other precision ag technology to use resources more efficiently. MZB becomes "Field Reveal" in 2018.



2014

The Rock Island Elevator is built. It is the second autonomous elevator, holding a total storage capacity of 1,061,000 bushels.

2018

GCC Partners with Winfield United on their Digital Platform, website design and hosting services.

2019

100th anniversary of the signing of the charter, August 16, 2019.



CENTENNIAL

WHAT IS A CO-OP?

The purpose of a cooperative is to serve its members. We are member owned and operate similar to other businesses – with **one exception**. Our profits or savings, after the costs of doing business are paid, are **returned to the members as patronage dividends at the end of the year**.

BECOME A MEMBER OF THE GARDEN CITY CO-OP

Fill out a membership/credit application and purchase \$50 of stock in the company. It's that simple.

GARDEN CITY CO-OP

ESTABLISHED 1919

OUR BUSINESS

The Garden City Co-op, Inc. believes in the Cooperative model and the important role it plays in creating value for its members. The farmers of The Garden City Co-op, Inc. are critical because they are also the owners.

OUR MISSION

What we do as a company.

We help farmers be successful by creating value for their farm through our people, assets and technology.

OUR VISION

Who we want to become.

To be the most valued partner in our farmer's business through committed Cooperative teamwork.

OUR CORE VALUES

1. Trustworthy
2. Stable and Dependable
3. Innovative

WHY?

The Garden City Co-op has a strong history of trying new things. When few other companies were interested in investing, farmers came together and started GCC to fill a need in infrastructure, services, technology and innovation.

GCC helps farmers be more successful. We are your trusted advisor, earning your operation's business for generations to come. We are proud and fortunate to not only be part of a cooperative tradition but a family tradition as well. We look forward to creating value for our farmers into the future.



100th ANNUAL MEETING

Invocation

TYLER HANDS

Call to Order

TYLER HANDS

- Welcome
- Declaration of Quorum
- Proof of Notice
- Approval of Minutes
- Introduction of Past Board Members
- Introduction of Previous General Managers
- Introduction of Guests

Audit Report

KELLY DREES

Chairman Report

TYLER HANDS

Management Report

JEFF BOYD

Employee & Retiree Recognition

BOYD/ HANDS

Nominating Committee Report

TOM MULVILLE

Associate Director Report

CURTIS ANSEL

Election of Directors

TYLER HANDS

New/Old Business

TYLER HANDS

Question & Answer Session

Redemption Giveaways

CLAYTON MADDUX

Adjournment

UNAPPROVED
Garden City Co-op, Inc
Annual Stockholders Meeting
December 4, 2018

The Annual Meeting of the Stockholders of the Garden City Co-op, Inc. met Tuesday, December 4, 2018, at the Clarion Inn, 1911 E Kansas Ave, Garden City, Kansas.

At 2:00 p.m., Tyler Hands, Board Chairman, called the meeting to order. Directors in attendance were Max Engler, Gordon Drees, Bill Maughlin, Clayton Maddux, Lynn Teeter, Chris Fullmer and Associate Directors Chris Boyd, Nelson Rider and Curtis Ansel. New Associate Director Kyle Deaver was also in attendance.

Tyler Hands advised that there were 219 voting members present, thus making a quorum. Tyler further advised that on November 19, 2018, 1,459 notices were mailed, and it was certified by the U.S. Post Office. Tyler asked for any corrections to the minutes. With no corrections, minutes were approved as provided.

Tyler Hands welcomed members and guests and expressed the Board of Directors' appreciation at the level of attendance. He also recognized all past board members, as well as Harley Foulks and John McClelland, past General Managers. Jeff Boyd introduced guests: Rocky Bell and Jed Miller with CHS; Jeff Hires and Randy Royle with ServiTech; David Cornett, Bob Temple and Jeff Huggard with WindRiver Grain; Greg Johnston, Mitch Williams and Todd Shepherd with KFSA; Michael Walton with CoBank; Brandi Miller with Kansas Co-op Council; Brad Cowan with Frontier Ag; Chris Irvin with Bayer; Rusty Sherwood with Sublette Co-op; Grant Elpers with Wells Fargo; Nick Mueting with LVPF; Kyle Smith with FC Stone; Dave Strecker with Minneola Co-op; Jason Baker with Scott City Co-op and Tim Aikens with Land O Lakes.

Jeff Boyd, CEO, reviewed the financial information that was distributed in the Annual Report: Sales \$205,047,713.82; Gross Margins \$24,417,551.51; Gross Income from Local Operations \$31,886,170.54; Total Assets \$160,127,618.38; Total Current Liability \$55,553,756.38; Total Long-Term Liabilities \$15,678,298.68; Total Members' Equity \$88,895,563.32. Retained Savings are at (\$315,392.05) and Total Patronage Dividends are at \$3,253,962.16. Nick Mueting of Lindburg Vogel Pierce Faris stated that he had submitted an unmodified or clean opinion on the August 31, 2018 financial statements. There were no questions or comments regarding the financial report.

Tyler Hands then introduced the current Board of Directors. During the 2017-2018 year, there were a total of 10 regular meetings, with 1 director absence and 2 associate director absences. He advised there was attendance at the CoBank, Arthur Capper Center and KFSA meetings, as well as several neighboring cooperative annual meetings.

Tyler spoke of transitions the Co-op is currently in process of, with technology and new staffing. Tyler thanked John for his contributions and preparing the company to move through these transitions. Tyler talked about family ties and the importance that plays in the success of any organization. He further talked about the employee's role in this success. He spoke of those who have gone before us and the importance of holding that knowledge close as we move on to the next 100 years.

Jeff Boyd, CEO, talked changes and transitions and the extremes that will continue to face this company. As we begin our 100th year Jeff addressed the process of all the future changes that will occur. He talked about the succession planning that has been put in place and continues to be effective in protecting the organization. Jeff talked about the technology growth that will provide an economic benefit. We must continue to remain true to our visions and standards that have set us above.

Jeff and Tyler recognized Brett Butler and Daniel Hines for 30 years, Joe Varela and John McClelland for 15 years, Kyle Korf for 10 years and Ciriaco Jurado, German Hernandez, Deanne Unruh, Trevor Witt, Stuart Streckfus, Jenna Davis, Trevor Hands, Dalton Simon, Luis Castillo, Lakin Dreiling, Tiffany Harmon and Eric Konrade for 5 years of service. Cindy Becker and Cindy Galloway were also recognized for retirement. John McClelland was honored for his retirement.

Tyler then introduced Tom Mulville with the nominating committee report. Tyler Hands and Gordon Drees were introduced for the two Director positions. There were no nominations from the floor. There was a unanimous ballot cast for the two nominations.

Chris Boyd spoke to his experience as an Associate Director.

Tyler asked for new business. There was no new or old business.

A Question and Answer session was then opened.

Early redemptions of stock up to \$1,000 were given to Scott Becker, Francis Richmeier, Doug Mai, Justin Greer and Max Moomaw.

It was moved and seconded that the meeting be adjourned.

Chairman

Secretary/Treasurer



Manager's Report

This year we marked the 100th anniversary of the organization of your Co-op. That longevity is a testament to the farmers who support the Co-op as well as the leadership within the board and management teams over its history. Just as the weather in Western Kansas has its extremes, the Co-op has endured good and bad times. We appreciate the tough decisions that were made by great leaders in the past to make sure the Co-op was always there to bring discipline to markets and serve the farmer for the past 100 years.

Today the mission of the Co-op stays the same. We must create value through our assets, technology and people for the farmer. Over the last 100 years there has been a lot of changes in how the Co-op delivers value and that will carry on in the future. I believe, farmers today are much more diverse in their needs. Farms vary in size and each have a unique mission. The Co-op has recognized that your needs have changed over the years and now provides **individualized and specific value** to farmers. We focus on utilizing your equity investment properly and operate the business profitably, creating a strong balance sheet and allowing us to invest for the future. These investments provide reliable patronage and equity retirements.

In my first full year as your CEO, I have enjoyed the many challenges that we have faced. Each year in agriculture is different, but 2019 was definitely unique. We faced a wet winter and spring which delayed fertilizer application and fall crop planting. This led to a very condensed spring season that created long hours and stress for everyone. Thanks to the moisture, we saw **tremendous yields at wheat harvest**. Unfortunately, the average **protein content of the wheat was low** for our geography and created marketing difficulties. The summer was dry with spotty rains across our territory, leading to a lot of variability in the fall crop yields. We accomplished our tasks this fiscal year as best as we could. I am grateful for our employee group and thankful we had a safe planting and summer harvest.

**Longevity is
a testament
to the
farmers who
support the
Co-op**

We take pride in serving you as your local Co-op for more than 100 years, but we understand we live in a global economy. The changing demands from our consumers around energy sources, food production methods and sustainable practices will continue to impact farming practices. Global trade issues also had a large impact on us, especially in the milo sorghum markets. **We will always have challenges in agriculture, but we will continue to try and do what is best for the farmer, creating value.** Competition will always be strong, but we will continue to try and bring discipline to the markets we participate in. We must remember our founding member RJ Ackley's statement that our future will depend on "how well we conduct our own business and the type of service we render to our membership." From the employee group, we thank you for your support of your local Co-op!

A handwritten signature in black ink, appearing to read "Jeff Byrd". The signature is stylized and cursive.

■ General Manager and CEO



Chairman Report

100 years chartered as your Garden City Co-op. Let that sink in. Your farmer-owned cooperative has seen a vast array of change over the course of operation in its 100 years. From dust bowls to floods, market volatility, huge consolidations and the ag tech boom we are in today. So much can be said about this time, but it's important to note that your Co-op has weathered it all and is here to serve you today and will be here to serve you in the future. Your Co-op is an extension of your farm and as your board, we strive to assist in making the GCC meet the needs of each member-owner, no matter what that may look like.

The GCC is a special place, and as your chairman, I truly get to see that first-hand; interacting with your board and the employees that make this organization run, is certainly something unique about this company. It is my hope that you as members take as much pride in your company as your board and staff members do.

The agricultural sector continues to be challenging and this next year will not be any different. Your board continues to look for ways to keep the Garden City Co-op competitive and relevant through its offerings to you. We are excited about the opportunities ahead and thank you for the faith you have put in us to represent you in the months and years ahead.

■ Chairman

Board of Directors



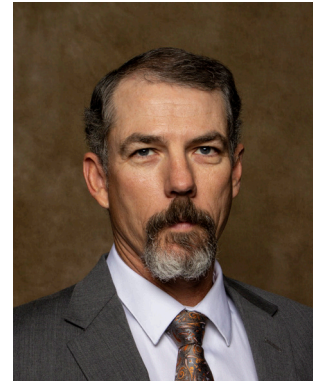
Tyler Hands
Chairman
Plymell/Deerfield Area



Bill Maughlin
Vice Chair
Dighton Area



Clayton Maddux
Secretary/Treasurer
Deerfield Area



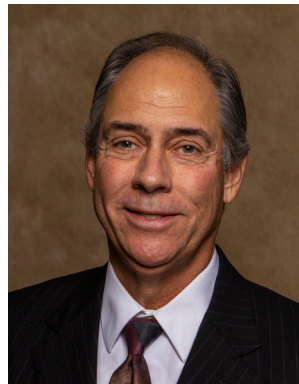
Christopher Fullmer
Assistant Secretary/
Treasurer
Dighton Area



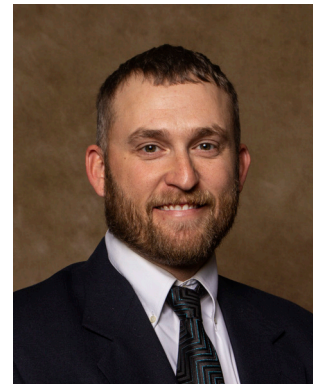
Gordon Drees
Director
Garden City Area



Lynn Teeter
Director
Ulysses Area



Max Engler
Director
Deerfield Area



Curtis Ansel
Associate Director
Deerfield Area



Nelson Rider
Associate Director
Ulysses Area



Kyle Deaver
Associate Director
Plymell Area

“WE ARE EXCITED ABOUT THE OPPORTUNITIES AHEAD AND THANK YOU FOR THE FAITH YOU HAVE PUT IN US TO REPRESENT YOU IN THE MONTHS AND YEARS AHEAD.”

▪ TYLER HANDS

Your Nominees



Christopher Fullmer

Dighton Area

Christopher farms in southern Gove County where he raises dryland wheat and milo. He attended Kansas State University where he majored in Math and Psychology. In January 2014, he became an Associate Director of the Garden City Co-op and was elected to the Board of Directors in December 2016.

Lynn Teeter

Ulysses Area

Lynn was raised on a farm East of Ulysses in Grant County and now has dryland wheat and milo farms in Central & Southern Grant County. He graduated from Emporia State University with a B.S. degree in Business Administration & Economics.

Lynn went to work for Sullivan, Inc. in 1973 and became a Stockholder, Board Member, Officer, and General Manager of the corporation. He continued as the Ulysses Area Manager when the Sullivan, Inc. grain elevators were sold to Garden City Co-op in 2006. He retired in 2011 after 38 years.

Lynn is married to wife, Tracy. He has one daughter, Amy Townsend and husband Ty, grandchildren, Jansyn and Jaxson, in Leawood, KS.

He is a past Board Member and Chairman of the Grant County Extension Council, past Board Member and President of Grant County Development and current Board Member of the Grant County Scholarship Foundation and the Centura Bob Wilson Memorial Hospital Board.

Lynn served as an Associate Director of the Garden City Co-op starting December 2012 and was elected as a Director in December 2013.



Chris Boyd

Garden City Area

Chris farms Northeast of Garden City where he raises dryland wheat, corn and milo himself, along with his parents who raise dryland and irrigated wheat, corn and milo. Chris has been farming full-time since 2009. Before he returned home to farm, Chris worked as an automotive mechanic in Manhattan, Kansas.

Chris is married to Kylie and they have a daughter and son, Madyn and Jayton. They are members of the Garden City First United Methodist church.

Chris was an Associate Director from 2015-2018.

In the spirit of transparency, Chris Boyd is a brother to General Manager and CEO, Jeff Boyd.

Giving Back

We believe it is important to give back to the community that supports us. Our employees donate time and contributions to a variety of organizations. GCC donates money to the community as well.

Fiscal Year-End 2019 Contributions Report

Community Sponsorships
\$105,000

Kansas Food Bank- Food For Kids
Program for SW Kansas
\$10,000

Matching Funds from LOL,
Growmark and CoBank
\$22,500

Russell Child Development Center
\$14,000

GCCC Otis & Mary Lee Molz
Cooperative Scholarship
\$15,000

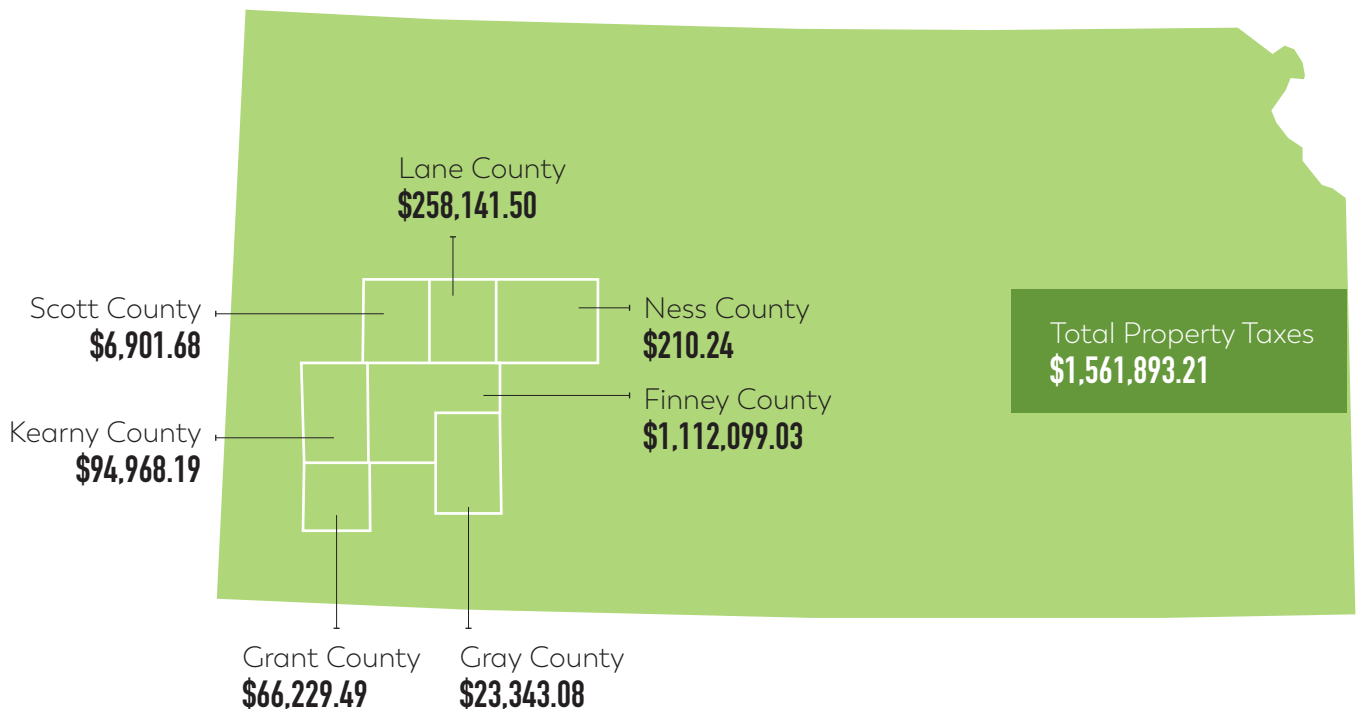
Local County Fairs and 4H/FFA
\$43,500

Gross Payroll
\$9,555,441

Patronage
\$1,070,806.26

Equity
\$700,000

TOTAL
\$12,993,140.47





Employee Community Involvement

Below are some of the organizations in our trade territory that your Garden City Co-op employee group have given back to with their talents and/or time.

Beef Empire Days

Cornerstone Church
Dream Team Volunteer

Epsilon Sigma Alpha (Alpha Zeta Chapter)

First United Methodist Church
Staff Parish Relations Committee
United Methodist Men's Ground Hog Supper Committee
Music Ministry

Foster Parents

Garden City Recreation Commission
T-Ball Coach, Basketball Coach

GCHS Digital Media Advisory Council

Grant County 4-H
Volunteer

Grant County Community Foundation

Grant County Gymnastics

Kourageous Kids 4-H
Volunteer

Lane County
Community Foundation Secretary
Emergency Preparedness Committee
Extension Project and Development Committee

Lane County & Dighton Fireman's Relief Association
Secretary / Treasurer

Lane County & Dighton Volunteer Fire Department
Firefighter

Lane County Lions Club

Lane County Recreation Commission
Flag Football Coach

Loaves & Fishes Food Bank
Volunteer

Odyssey of the Mind (Ulysses)
Coach

Piano Teacher

Public Relations Society of America
National & Kansas Chapter Member

Real Men Real Leaders
Board Member

Saint Dominic Church

Saint Dominic School

Saint Mary Parish
Volunteer
Liturgy and Choir Director
Music Tutor
Substitute Religious Education Teacher & RCIA Representative

Sand and Sage Rifle and Pistol Club

Southwest Kansas Community Concerts
Board Member & Sponsorship Director

Southwest Plains Regional Service Center
Board Member

Ulysses Church of Christ
Leadership Training for Christ (LTC) Director
Wednesday night meal program coordinator

USD 477 School
Board Member

USD 482 School
Board Member

Young Eagles
Mentor

YMCA
T-Ball Coach, Board Member

Hall Of Fame

We wouldn't be here without you. Below we recognize those who have been employees for more than 20 years – we are grateful for you and your years of support.

EMPLOYEES

TOTAL YEARS OF SERVICE

46

William Taldo {1946-1992} ——— Most years of service

- | | | | | | |
|----|--------------------------------|----|------------------------------|----|------------------------------|
| 45 | Kenneth Jameson {1972-2017} | 34 | Dale Unruh {1948-1982} | 25 | Cecil Dudley {1955-1980} |
| 41 | Eugene Unruh {1958-1999} | 33 | Carroll Witt {1965-1998} | 24 | Norman Thompson {1954-1978} |
| 41 | Kenny Elliott {1960-2001} | 31 | Everett Glenn {1963-1994} | 23 | Joe Roth {1957-1980} |
| 41 | Brenda Hays {1975-2016} | 31 | Jon Kueker {1968-1999} | 23 | Sherman Baird {1964-1987} |
| 38 | Lynn Teeter {1973-2011} | 31 | Beverly Kerkhoff {1978-2009} | 23 | Earnest Davis {1965-1988} |
| 37 | Jay Warren {1970-2007} | 30 | Stanley Berry {1979-2009} | 23 | Lester Webb {1984-2007} |
| 37 | Wallace Schweitzer {1972-2009} | 30 | Jerald Murphy {1985-2015} | 23 | Annette Wilson {1984-2007} |
| 37 | Ronnie Barnes {1975-2012} | 29 | Ivan Holmes {1956-1985} | 22 | Everett Hamill {1937-1959} |
| 36 | Natividad Avila {1974-2010} | 29 | Trent Warden {1964-1993} | 22 | Albert Billinger {1965-1987} |
| 36 | Guadalupe Ruiz {1976-2012} | 28 | Jerry Jones {1972-2000} | 22 | Eunice Dinkel {1979-2001} |
| 36 | John Leiker {1978-2014} | 28 | Joe Morales {1974-2002} | 22 | Della Pierce {1979-2001} |
| 36 | Bentz Lewis {1979-2015} | 28 | Jon Coleman {1980-2008} | 22 | Howard Cartmill {1989-2011} |
| 35 | Alfred Stoecklein {1961-1996} | 27 | Amos Cott {1966-1993} | 21 | Wayne Reith {1959-1980} |
| 34 | Herb Dougherty {1947-1981} | 27 | Cindy Galloway {1991-2018} | 21 | Gail Laughlin {1963-1984} |
| 34 | Henry Douglas {1948-1982} | 26 | Henry Hopkins {1933-1959} | 20 | John Merz {1960-1980} |

Currently employed and adding years to their Hall Of Fame

- | | | | | | |
|----|------------------------------|----|-------------------------------|----|--------------------------------|
| 42 | Bob Almos {1977-Present} | 30 | Alberto Barron {1989-Present} | 21 | Cutberto Deleon {1998-Present} |
| 38 | Chris Murphy {1981-Present} | 25 | Toby Wilson {1994-Present} | 20 | Jeremy Kells {1999-Present} |
| 34 | Ann Jackson {1985-Present} | 24 | Eric Van Doren {1995-Present} | 20 | Michael Mings {1999-Present} |
| 33 | Kevin Dickson {1986-Present} | 22 | Kurt Strasser {1997-Present} | 20 | Holly Cowan {1999-Present} |
| 31 | Brett Butler {1988-Present} | 22 | Juan Barron {1997-Present} | | |

MANAGERS

We couldn't do it without our management team. Thank you for all your support.

- | | | | | | |
|----|----------------------------------|---|------------------------------|----|-----------------------------|
| 1 | L.A. Dockum {1915-1916} | 9 | W.G. Hopkins {1929-1938} | 15 | George Voth Jr. {1957-1972} |
| 1 | Charles G. Woodworth {1916-1917} | 7 | Eugene Kelley {1938-1945} | 19 | Harley Foulks {1972-1991} |
| 5 | H.H. Everly {1919-1924} | 3 | Elbert Anderson {1945-1948} | 12 | Irvin Clubine {1991-2003} |
| <1 | G.A. Smith {1924} | 5 | Herby L. Johnson {1948-1953} | 15 | John McClelland {2003-2018} |
| 5 | L.F. Beaty {1924-1929} | 4 | Kenneth M. Lyon {1953-1957} | 1+ | Jeff Boyd {2018- Present} |

Otis and Mary Lee Molz Cooperative Scholarship

The Otis and Mary Lee Molz Cooperative Scholarship was established in 2014, with the largest donation made by a living donor to the GCCC’s Endowment Association, for the purpose of establishing a scholarship fund. The fund provides full tuition and standard fees for Garden City Co-op employees, members, and their spouses, children and grandchildren. The Garden City Co-op Board of Directors selects the final recipients of the award each year.

Otis and Mary Lee Molz have contributed in the creation, direction, establishment and support of cooperatives both in Kansas and in Latin America, where the couple traveled to provided education and training in agribusiness to developing cooperatives in the region. The couple were honored with the “Donor Lifetime Achievement Award” from the GCCC Endowment Association in 2016.

Endowed scholarships at GCCC are funded through the annual income generated by the principal of the endowed contribution. In 2014, the Molzes committed to continue making contributions to the endowed scholarship fund until it met maturity at \$500,000. As these were the largest academic scholarships that GCCC’s Endowment Association would award each year, the Garden City Co-op also committed to contributing an additional \$15,000 per year through 2024 through the Endowment Association, to keep up with inflation and tuition increases. Molz’ affiliation with CoBank also resulted in the bank’s additional \$10,000 contribution to the scholarship fund. When the principal amount is fully funded, it will support as many as six full scholarships annually.

The students were honored at a reception hosted by the GCCC Endowment on August 23rd.

As reported by the Garden City Telegram with additional updates provided by the Garden City Co-op.



2019-2020 RECIPIENTS

- 1 **Lynsey Robertson**
Holcomb
- 2 **Paige Crombie**
Ulysses
- 3 **Abigail Murrell**
Garden City

The scholarship amount is equal to full tuition and standard fees for 16 credit hours at GCCC.

LEARN HOW YOU CAN DONATE
CONTACT
Jeremy Gigot | jeremy.gigot@gcccks.edu

gccoop.com



THE GARDEN CITY CO-OP, INC.

GARDEN CITY, KANSAS

AUGUST 31, 2019



THE GARDEN CITY CO-OP, INC.
Garden City, Kansas

OFFICERS AND DIRECTORS
August 31, 2019

BOARD OF DIRECTORS

Tyler Hands	Garden City, Kansas	Chairman
Bill Maughlin	Dighton, Kansas	Vice-Chairman
Clayton Maddux	Deerfield, Kansas	Secretary-Treasurer
Christopher Fullmer	Dighton, Kansas	Assistant Secretary-Treasurer
Gordon Drees	Garden City, Kansas	Director
Lynn Teeter	Ulysses, Kansas	Director
Max Engler III	Deerfield, Kansas	Director
Curtis Ansel	Deerfield, Kansas	Associate Director
Kyle Deaver	Garden City, Kansas	Associate Director
Nelson Rider	Ulysses, Kansas	Associate Director

MANAGEMENT STAFF

Jeff Boyd	CEO/General Manager
Kelly Drees	Chief Financial Officer
Toby Wilson	Chief Operations Officer
Chris Wagner	Grain Division Vice-President
Tim Giesick	Crop Production Vice-President
Lakin Dreiling	Petroleum Vice-President

Federally Licensed and Bonded	Storage Capacity - Bushels	30,320,000
-------------------------------	----------------------------	------------

Incorporated Under Agricultural Cooperative Marketing Act in 1919

Corporate Existence Expires November 15, 2040

Business Office
PO Box 838
106 North 6th Street
Garden City, KS 67846

Roger W. Field, CPA
Gregory D. Daughhettee, CPA
Todd V. Pflughoeft, CPA
Kenneth D. Hamby, CPA
Michael R. Meisenheimer, CPA
Nick L. Mueiting, CPA
Billy J. Klug, CPA
Randall R. Hofmeier, CPA
Brent L. Knoche, CPA
Brian W. Mapel, CPA
Jeffrey D. Reece, CPA
Brady H. Byrnes, CPA

INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Garden City Co-op, Inc.
Garden City, Kansas

We have audited the accompanying consolidated financial statements of The Garden City Co-op, Inc., Garden City, Kansas and subsidiary which comprise the consolidated balance sheets as of August 31, 2019 and 2018, and the related consolidated statements of operations, cash flows, and members' equity for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Garden City Co-op, Inc. and subsidiary as of August 31, 2019 and 2018, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Lindburg Vogel Pierce Faris

Certified Public Accountants

Dodge City, Kansas
November 13, 2019

THE GARDEN CITY CO-OP, INC.
Garden City, Kansas
CONSOLIDATED BALANCE SHEETS
August 31, 2019 and 2018

ASSETS		
	2019	2018
CURRENT ASSETS		
Cash	\$ 1,403,968.67	\$ 142,443.85
Accounts and receivable - trade	4,429,240.78	4,074,297.89
Allowance for doubtful accounts	(73,750.00)	(73,750.00)
Grains receivable - trade	18,569,252.92	23,977,668.39
Grain storage receivable	2,524,657.78	1,606,807.00
Commodity margin accounts and derivative assets	1,112,313.85	415,358.10
Other receivables	3,519,645.88	1,658,778.85
Inventories	21,653,891.99	33,677,871.30
Prepaid commodities and expenses	2,467,787.43	3,085,634.00
	55,607,009.30	68,565,109.38
INVESTMENTS AND OTHER ASSETS		
Corporate stock and equity	51,545,868.10	50,409,445.81
Limited liability companies	2,791,729.21	2,735,367.80
	54,337,597.31	53,144,813.61
PROPERTY, PLANT, AND EQUIPMENT		
Cost	92,421,408.36	91,327,326.65
Accumulated depreciation	(55,660,847.42)	(52,909,631.26)
	36,760,560.94	38,417,695.39
TOTAL ASSETS	\$ 146,705,167.55	\$ 160,127,618.38
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts, expenses, and taxes payable	\$ 14,355,897.00	\$ 12,418,995.97
Grains payable	6,904,396.22	7,596,487.48
Collections received in advance	1,542,935.36	1,258,633.44
Current maturities of notes payable	14,566,889.80	25,752,342.26
Current maturities of capital lease obligations	135,129.41	1,026,655.15
Current maturities of patron notes payable	5,600,000.00	5,600,000.00
Patronage dividends payable	0.00	1,070,806.26
Equity retirements payable	0.00	700,000.00
Income taxes payable	36,431.27	129,835.82
	43,141,679.06	55,553,756.38
LONG-TERM LIABILITIES, excluding current maturities		
Notes payable	11,585,003.00	14,288,335.00
Capital lease obligations	860,781.95	0.00
Grain contracts payable	489,367.14	993,919.41
Deferred income taxes	476,637.55	396,044.27
	13,411,789.64	15,678,298.68
MEMBERS' EQUITY		
Common stock	31,788,785.51	30,853,239.00
Participating stock	8,184,636.10	7,812,772.85
Patronage dividends	0.00	2,498,547.95
Equity retirements payable	0.00	(700,000.00)
Retained savings	50,178,277.24	48,431,003.52
	90,151,698.85	88,895,563.32
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 146,705,167.55	\$ 160,127,618.38

See accompanying notes.

THE GARDEN CITY CO-OP, INC.
Garden City, Kansas

CONSOLIDATED STATEMENTS OF OPERATIONS
For Years Ended August 31, 2019 and 2018

	2019	2018
SALES		
Grain	\$ 131,502,400.14	\$ 121,310,078.36
Supply	43,268,714.96	33,824,222.96
Commercial and wholesale	46,541,518.83	49,913,412.50
TOTAL SALES	221,312,633.93	205,047,713.82
COST OF SALES	197,800,253.93	180,630,162.31
GROSS MARGINS ON SALES	23,512,380.00	24,417,551.51
OTHER INCOME		
Storage and handling	3,868,118.67	3,076,030.48
Drying income	437,883.48	227,725.54
Service income	915,620.59	1,413,123.88
Freight income	793,752.52	1,003,542.26
Gain on disposal of property, plant, and equipment	77,605.00	38,472.22
Interest income and finance charges	83,825.84	51,957.36
Patronage dividends	2,313,542.10	563,507.31
Investment income and dividends on stock	395,179.18	978,160.13
Miscellaneous income	143,623.51	116,099.85
TOTAL OTHER INCOME	9,029,150.89	7,468,619.03
GROSS SAVINGS	32,541,530.89	31,886,170.54
EXPENSES		
Personnel costs	13,193,096.50	13,119,499.63
Fixed expenses	10,726,604.28	9,700,095.95
Other expenses	6,905,989.76	6,029,106.15
TOTAL EXPENSES	30,825,690.54	28,848,701.73
SAVINGS BEFORE INCOME TAXES	1,715,840.35	3,037,468.81
INCOME TAXES	34,859.89	216,493.35
NET SAVINGS	\$ 1,750,700.24	\$ 3,253,962.16
DISTRIBUTION OF NET SAVINGS		
Patronage dividends	\$ 0.00	\$ 3,569,354.21
Retained savings	1,750,700.24	(315,392.05)
TOTAL	\$ 1,750,700.24	\$ 3,253,962.16

See accompanying notes.