

2022 ANNUAL REPORT



Over a Century of Excellence in Livestock Marketing



on the farm ~ in the market ~ working together

From the Chairman of the Board

Our cooperative's journey began in 1922, which means that the end of 2022 marks a memorable milestone of over a century of excellence in livestock marketing. Your regional board of directors takes a sense of pride, ownership and responsibility for this milestone in our cooperative's history.

The past fiscal year has been one of great transition on your regional board and management team. Despite a great deal of uncertainty in agriculture, our cooperative remained resilient and proved to its producer members that our markets are still the most reliable, secure way to sell livestock. Our unchanging principles and producer members input helped the board of directors deliver effective responses to the challenging market conditions and successfully implement expanded services to our patron members, which in turn provided a better than budgeted profit for the cooperative.

As we look ahead to 2023, our cooperative acknowledges that agriculture will continue to change along with further unpredictability in cattle volumes, and challenges will be present thanks to supply chain issues, inflation and broad labor shortages post-pandemic. Nevertheless, the board of directors are optimistic for a successful 2023 and believes that a strong governance is an important foundation for the cooperative's sustainable performance.

I thank my fellow directors, who through their individual expertise and disciplines ensure that good governance is observed and the highest level of our cooperative's values are attained. Also, on behalf of the board of directors, we thank the management team for maintaining leadership and commitment to the cooperative's financial performance, its staff and patron members.

Significant progress was made during 2022, and the board will remain accountable for upholding the highest standards of integrity and transparency in all aspects of operations and meeting our producer members needs in 2023.



Adam Quandahl, Chairman of the Board



From the President & CEO

Performance like the Cooperative delivered this year to its patron members does not happen by chance but through the dedication and hard work of all our employees. I would like to thank and congratulate our Executive Team, our Board of Directors and indeed, all employees for their efforts over the last year. While we do not know what the future holds, our cooperative can look forward with confidence.

As I reflect on the end of 2022's fiscal year, Equity's financial performance gives me great cause for optimism. Your Cooperative performed well during the course of the year though the start and end were impacted by challenges with labor shortages in all markets, low cattle inventory presenting unpredictable cattle volumes and the economic and political challenges our producer members faced. Despite some of those headwinds, our markets performed about as we expected. The fed and feeder cattle and calf prices increased and stayed strong throughout the year allowing for a profit that exceeded our budget.

The year saw some innovative solutions for our producer members as our market teams, along with the addition of key management team members, focused on placing our patron members at the center of business operations, and the Cooperative ensured seamless delivery of our services.

Looking ahead, there will continue to be significant challenges for the agriculture industry. However, we can have an optimistic outlook going into the new year with near record prices being projected for fed and feeder cattle. I am confident that with the support of the regional board and the relentless efforts and dedication of the management team and staff, the cooperative will continue to create and deliver value to all of its producer members.

Once again in 2022, our employees have shown strong resilience and ability to adapt to changing circumstances. I would like to thank every employee for the commendable efforts and dedication to our patron members, and for responsibly upholding the principles of the cooperative.

We look forward to continuing to assist you our patron members with all your agricultural marketing, managing, and financial needs in 2023 and thank you for your support in 2022!



Curt Larson, President & CEO



Financial Statement

ASSETS

	<u>2022</u>	<u>2021</u>
Current Assets	\$25,275,373	\$21,192,966
Property and Equipment	5,656,609	5,531,915
Investments and Other Assets	4,923,280	3,868,403
TOTAL ASSETS	\$35,855,262	\$30,593,284

LIABILITIES AND PATRON EQUITIES

Current Liabilities	\$22,405,218	\$17,002,180,
Long Term Debt, Less Current Maturities	1,313,609	1,602,637
Minimum Pension Liability	1,479,667	519,348
TOTAL LIABILITIES	\$25,198,494	\$19,124,165
Patron Equities	10,656,768	11,469,119
TOTAL LIABILITIES AND PATRON EQUITIES	\$35,855,262	\$30,593,284

CONSOLIDATED STATEMENTS OF OPERATION

Gross Operating Revenues	\$504,285,481	\$433,705,762
Payment to Producers	(409,233,727)	(421,467,583)
NET OPERATING REVENUES	13,051,754	12,238,179
Operating Expenses	12,492,324	12,377,939
NET PROCEEDS FROM OPERATIONS	559,430	(139,760)
Non Operating Income / (Expense)	(177,786)	3,018,069
NET PROCEEDS BEFORE INCOME TAXES	381,644	2,878,309
Credit for Income Taxes	-	-
NET PROCEEDS	\$381,644	\$2,878,309

A summary of the audited financial statements may be found at www.equitycoop.com or a copy of the complete audited financial statements may be requested by contacting Nancy Bilz, Vice President of Finance/CFO, 401 Commerce Ave. Baraboo, WI 53913.



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Board of Directors



DAN LEISCHER
DISTRICT I
ARLINGTON MARKET
JOHNSON CREEK MARKET



DAVID WILKE
DISTRICT II
LOMIRA MARKET
VICE CHAIRMAN OF THE BOARD



STEVE SCHLEIS
DISTRICT III
REEDSVILLE MARKET
SECRETARY/TREASURER



PETE KLEIMAN
DISTRICT IV
BONDUEL MARKET



TODD CUMMINGS
DISTRICT V
STRATFORD MARKET



LES DANIELSON
DISTRICT VI
ALTONA MARKET
BARRON MARKET



KARL MEROW
DISTRICT VII
SPARTA MARKET



DAN REESON
DISTRICT VIII
MONROE MARKET



BRAD SOLCHENBERGER
DISTRICT IX
RICHLAND CENTER MARKET
ASSISTANT SECRETARY/TREASURER



ADAM QUANDAHL
DISTRICT X
WAUKON MARKET
CHAIRMAN OF THE BOARD

Management Team



CURT LARSON
PRESIDENT AND CEO



MARK CLARKE
EXECUTIVE VICE PRESIDENT
OF MARKETING & COO



NANCY BILZ
VICE PRESIDENT OF
FINANCE & CFO



DAVID JOHNSON
VICE PRESIDENT OF MARKETING



GARY WILLIAMS
VICE PRESIDENT OF
CREDIT SERVICES



ROB MEIER
VICE PRESIDENT OF
INFORMATION SYSTEMS



DAVE CALVERT
VICE PRESIDENT OF
MARKET OPERATIONS

**WORKING TOGETHER
WITH LIVESTOCK
PRODUCERS FOR
100 YEARS!**



800.362.3989
www.equitycoop.com





Equity Cooperative Livestock Sales Association Market Contact Information:

Altoona 715.835.3104
Arlington 608.635.4376
Barron 715.537.5618
Bonduel 715.758.2125
Johnson Creek 920.699.3588
Lomira 920.269.4351

Monroe 608.328.8344
Reedsville 920.754.4361
Richland Center 608.647.6151
Sparta 608.269.3104
Stratford 715.687.4101
Waukon 563.568.4501

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with your phone's
camera to visit
our website ►



We utilize our unchanging principles and members input to guide our cooperative that is focused on our patron's needs. As a cooperative we value our members who make up Equity Cooperative Livestock Sales Association. We honor their partnership and commitment and are thankful for their trust. All principles that help make our cooperative successful!

Concern for Community

- Helping today's youth become tomorrow's leaders by supporting Future Farmers of America & 4-H Foundations
- Providing scholarships to future agriculture leaders

Working Together

- Our board and management team work together to improve markets and support our member's needs.
- Working on behalf of our members with other organizations at national and state levels for the betterment of the industry.
- Member input through field service reps and annual and local association meetings.

Education, Training & Information

- Work with our future young leaders on the benefits of cooperatives
- Annual District Meetings
- Beef Quality Assurance programs

Control is in Your Hands & One Member One Vote

- Members control our future

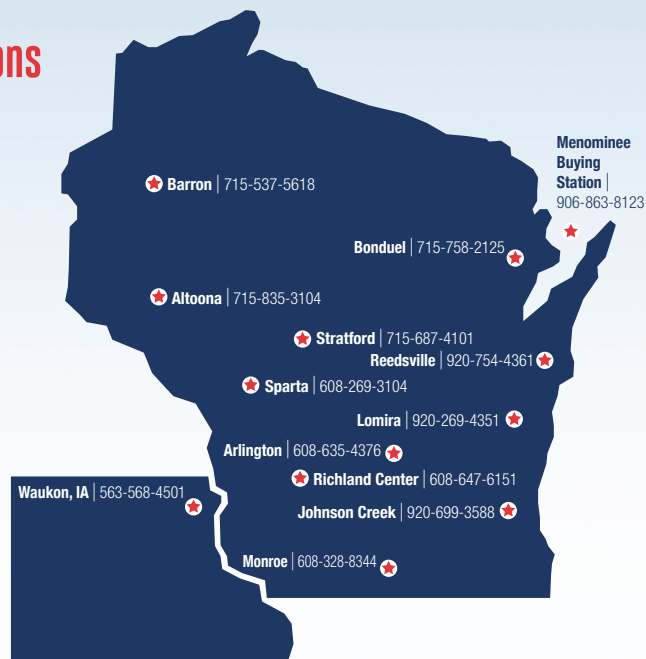
Open to all People Who Can Use Our Services

- You don't have to be a member to use our services

Your Contribution Counts

- Our members contribute equitably, and democratically control the capital of their cooperative

Our Locations



P.O. Box 1003 • Baraboo, Wisconsin 53913
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