



**NORTHERN LAKES COOPERATIVE**

**2022**

**ANNUAL REPORT**

**OFFICERS AND DIRECTORS**

Tom Turngren  
Cliff Williams  
Julie Greene  
Dan Rusch  
Stacey Hessel  
Margaret Winter  
Wendy Williamson

President  
Vice President  
Secretary  
Treasurer  
Director  
Director  
Director

**PERSONNEL**

Michael Covelli

General Manager

**NORTHERN LAKES COOPERATIVE  
BALANCE SHEETS  
MARCH 31, 2022 AND 2021**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 459,788	\$ 68,749
Receivables, Net	549,202	407,243
Inventories	2,047,241	1,735,601
Prepays	65,505	57,167
Total Current Assets	3,121,736	2,268,760
<b>LONG-TERM RECEIVABLES</b>	22,609	25,423
<b>INVESTMENTS IN OTHER COOPERATIVES</b>	3,232,943	3,404,064
<b>PROPERTY AND EQUIPMENT</b>	8,677,660	8,316,757
Less: Accumulated Depreciation	(5,975,748)	(5,818,155)
Net Property and Equipment	2,701,912	2,498,602
Total Assets	\$ 9,079,200	\$ 8,196,849
<b>LIABILITIES AND PATRON EQUITIES</b>		
<b>CURRENT LIABILITIES</b>		
Short-Term Note Payable	\$ 616,197	\$ 395,734
Current Maturities of Long-Term Debt	105,058	66,266
Accounts Payable	510,165	347,356
Patron Credit Balances	639,989	637,980
Patronage Refunds Payable in Cash	125,000	100,000
Accrued Expenses	319,491	321,356
Total Current Liabilities	2,315,900	1,868,692
<b>DEFERRED INCOME TAXES</b>	50,411	31,011
<b>LONG-TERM DEBT, LESS CURRENT MATURITIES ABOVE</b>	529,926	467,735
Total Liabilities	2,896,237	2,367,438
<b>PATRON EQUITIES</b>		
Member Equity Credits - Qualified	2,597,595	2,615,757
Member Equity Credits - Nonqualified	502,090	355,575
Patronage Refunds Payable in Equities	175,000	138,606
Unallocated Capital Reserve	2,908,278	2,719,473
Total Patron Equities	6,182,963	5,829,411
Total Liabilities and Patron Equities	\$ 9,079,200	\$ 8,196,849

**NORTHERN LAKES COOPERATIVE  
STATEMENTS OF OPERATIONS  
YEARS ENDED MARCH 31, 2022 AND 2021**

	2022		2021	
	Amount	Percent of Sales	Amount	Percent of Sales
<b>SALES</b>	\$ 17,835,464	100.00 %	\$ 15,149,370	100.00 %
<b>COST OF SALES</b>	<u>13,216,954</u>	74.10	<u>10,876,311</u>	71.79
<b>GROSS MARGIN</b>	4,618,510	25.90	4,273,059	28.21
<b>OPERATING EXPENSES</b>				
Distribution:				
Salaries and Wages	2,240,835		2,289,672	
Outside Salespersons	4,418		9,852	
Payroll Taxes	175,475		164,632	
Employee Insurance	307,758		261,929	
Pension Expense	11,945		19,124	
Vehicle Expense	97,269		88,965	
Advertising	30,076		13,778	
Total Distribution	<u>2,867,776</u>	16.08	<u>2,847,952</u>	18.80
General:				
Depreciation	272,604		230,502	
Insurance	233,446		203,767	
Property Taxes	37,784		37,933	
Rent and Equipment Rental	15,941		24,142	
Supplies and Repairs	133,752		95,472	
Utilities	78,767		73,456	
Total General	<u>772,294</u>	4.33	<u>665,272</u>	4.39
Administrative:				
Provision for Doubtful Accounts	(8,813)		19,784	
Directors' Fees and Expenses	4,070		2,670	
Meetings and Travel	21,557		8,667	
Professional Services	46,243		46,353	
Office Supplies and Expense	94,683		97,134	
Telephone	32,621		37,139	
Total Administrative	<u>190,361</u>	1.07	<u>211,747</u>	1.40
Total Operating Expenses	3,830,431	21.48	3,724,971	24.59

**NORTHERN LAKES COOPERATIVE  
STATEMENTS OF OPERATIONS (CONTINUED)  
YEARS ENDED MARCH 31, 2022 AND 2021**

	2022		2021	
	Amount	Percent of Sales	Amount	Percent of Sales
<b>GAIN ON SALE OF PROPERTY AND EQUIPMENT</b>	\$ 72,251	0.41 %	\$ 28,723	0.19 %
<b>OPERATING INCOME</b>	860,330	4.83	576,811	3.81
<b>OTHER INCOME (EXPENSE)</b>				
Interest Income	1,186		1,229	
Interest Expense	(31,516)		(40,620)	
Patron Finance Charges	5,556		4,813	
Paycheck Protection Program Loan Forgiveness	-		393,035	
Other Revenue	15,175		11,407	
Other Expense	(340,828)		(307,611)	
Total Other Income (Expense)	(350,427)	(1.96)	62,253	0.41
<b>LOCAL NET SAVINGS</b>	509,903	2.87	639,064	4.22
<b>PATRONAGE REFUNDS RECEIVED</b>	7,343	0.04	167,175	1.10
<b>NET SAVINGS BEFORE INCOME TAXES</b>	517,246	2.91	806,239	5.32
<b>INCOME TAX PROVISION (CREDIT)</b>	19,400	(0.11)	(35,159)	0.23
<b>NET SAVINGS</b>	\$ 497,846	2.80	\$ 841,398	5.55