

# **WYOMING SUGAR COMPANY ANNUAL SHAREHOLDERS MEETING MINUTES**

**3:00 p.m.**

**December 10, 2019**

The Wyoming Sugar Company Shareholders met Tuesday, December 10<sup>th</sup>, 2019 at the Worland Elks Lodge.

The meeting was called to order at 3:08 by Chairman Clark. After welcoming everyone and commenting about the operation this year, he called for the approval of the minutes of the December 11<sup>th</sup>, 2018 annual meeting of Shareholders as presented. Richard Russell moved and Hugh Miller seconded to approve the minutes as presented. Motion carried.

Chairman Clark announced that the first order of business was to elect directors, one for the factory district, one for the Basin district and one at-large position. John Snyder was nominated for the Factory district position. After a call for nominations from the floor, Richard Russell moved and Lial Sinn seconded to cease nominations and cast a unanimous ballot for John Snyder. Motion carried. Darrell Bullinger was nominated for the Basin district position. After a call for nominations from the floor, Richard Russell moved and Lial Sinn seconded to cease nominations and cast a unanimous ballot for Darrell Bullinger Motion carried. Bryce Vigil was nominated for the at-large district position. After a call for nominations from the floor, Richard Russell moved and Lial Sinn seconded to cease nominations and cast a unanimous ballot for Bryce Vigil. Motion carried.

Chairman Clark introduced guests: Dwayne Whitlock from ANB Bank, Kent Lamb from Pinnacle Bank, Larry Heiser from Western Sage Accounting, Scott Herndon from ASGA and Steve Hanson from United Sugars.

CEO Greear then asked John Snyder to give a report. Snyder discussed the importance of the PAC and asked growers to please contribute. He spoke about the change in the Mexican suspension agreement and how that is progressing.

CEO Greear then reported on the operation of the plant, including the good processing in 2019 of the 2018 crop. 2019 turned out to be a good operation year but the crop year was not good. Early freezes, shortage of contracted acres, fall rains, snows and freezes led to a very tough harvest. With the shortage of sugar produces, WSC will have to scale back Capital plans for this year. He went on to discuss the need to have a better plant startup, developing employees, building cash reserves and to finalize a better receiving plan.

CEO Greear continued with some tax information. This was the first year as a cooperative and the reporting on the 1099's didn't go as planned. That has been re-worked and communicated to all the tax advisors. There will be a \$2.00 Unit Retain that will allow the company to go ahead with some of the capital improvements. The November payment has been made and the December payment will be determined by the Board with the recommendation from the Audit Committee. The Board meeting is scheduled for December 19<sup>th</sup>.

The meeting was turned over to Controller Stiver. She reviewed the communication plan which includes efficiency improvement with texting available through AgTerra, Electronic growing addendums and the coming conversion to electronic contracting. Stiver then continued with a presentation of the Statement of Shareholders Equity and how growers will be able to access that through the website. She showed a sample of the 1099 PATR form that growers will be receiving. She continued with a presentation in graph form of the financial statistics.

VP Operations Salzman updated the growers on the factory performance with statistics on the 2018 campaign and its challenges and successes. He then continued with a similar report on the 2019 campaign to date. He reported on the factory statistics so far and finished up with a mini chemistry lesson on how sugar can be lost during the process.

The meeting was then turned over to Factory Manager Bryngelson. He reviewed the 2020 receiving changes which includes ongoing maintenance to the existing pilers as well as the purchase of a reconditioned piler. He also reviewed the expected major component R&M for this coming inter-campaign.

VP Operations Salzman then wrapped up the report with a review of the BMA consultation, a report on Rick Mont's work and a discussion of the focus of the upcoming inter-campaign.

Agriculturist Casdorff then reviewed the 2019 harvest, receiving and the problems with the freezes and storage. He also talked about the use of the new Holmer beet loader and how it was helpful in the yard. Joe Godfrey showed some drone footage taken over the piles with an infrared camera. He discussed how the ventilation system was working.

Vance Lungren Jr., chairman of the Research Committee then presented his report which included the leaf hopper program and monitoring and the 2020 approved varieties available to plant.

Steve Hanson from United Sugars took the stage and reviewed the marketing plan, which will be adjusted for the smaller sugar production from this crop. He talked about the marketing issues across the nation. He touched on the Mexican Suspension agreement talks and how that is playing out.

CEO Greear then reviewed the 2020 planting plan and expected acreages. He told the growers that, despite the terrible harvest, they should be proud of themselves and the company for being able to weather this tragedy.

Chairman Clark made some final remarks, giving accolades to CEO Greear and the entire management team for superior performance in a terrible situation.

There being no further business, the meeting adjourned at 5:29 p.m. The group then enjoyed a social hour followed by a banquet with keynote speaker, Scott Herndon from the American Sugar Growers Association.

Respectfully submitted,

Approved:

---

Landis Benson, Secretary

---

Tom B. Clark, Chairman