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**Montana Beef Council Board of Directors Meeting Minutes
Septemeber 22, 2017 | Montana Beef Council office, Billings**

Call to Order, Welcome and Introductions: President Kristin Larson called the meeting to order at 8:06 a.m., welcomed attendees and made introductions.

Members Present: Kristin Larson (President), Jim Taber (Vice President) Brett Dailey, Kathy Creighton-Smith, Bill Cok, Jan Allen, Bruce Lee, Kiley Martinell, Richard Anderson, Shane Flowers, Andy Kellom, Linda Swanz. CBB: Lynda Grande. Staff: Chaley Harney, Sue Broyles, Lisa Murray, Tammy Bridges. Guests: Mike Dinkel, Travis Choat, Heather Fryer, Corey Schultz, Will Downs.

Approval of Agenda: President Kristin Larson asked if there were any additions or amendments for the agenda. Linda Swanz moved to approve the agenda as printed and Andy Kellom seconded. Motion passed.

Approval of Minutes: President Kristin Larson asked if there were any additions or corrections to be made to the minutes from the June 29, 2017 board teleconference meeting. Kiley Martinell moved to approve the minutes as mailed and Kathy Creighton-Smith seconded. Motion passed.

Financial Reading: Vice President Jim Taber shared MBC's financial standing as of September 20, 2017 with the members.

Correspondence: The correspondence received since the last meeting was passed around for review and each board member initialed that they had seen the documents.

Officer Reports:

President- Kristin Larson reported that she attended the Beef Promotion Operating Committee meeting where they set the budget for the 2018 fiscal year. Seven national contractors presented a total of \$45 million worth of funding requests, but the Operating Committee had to cut \$7 million worth to meet the budget. Kristin utilized national staff to showcase the newest producer image campaign video to the board. She also recognized staff member Lisa Murray for 10 years of service with Montana Beef Council and thanked her for her dedication.

Vice President- Jim Taber reported that he continues to stay in contact with staff for regular updates as well as attending meetings and talking with producers to inform them about the checkoff.

Executive Director- Chaley Harney and staff provided an update on the program areas and progress at this point. Each board member received a printed copy of the full report.

National Reports:

CBB- Lynda Grande said that she attended the new member orientation as well as the summer business meeting where she served on the Export Growth Committee. Lynda shared that the CEO, Polly Ruhland, will be leaving effective November 1 and the Beef Board is searching for a replacement. Lastly she shared that there are currently four lawsuits involving the Beef Checkoff.

National Reports continued:

Federation- Kristin Larson shared that she again co-chaired the Investor Relations Committee and is also a member of the Global Growth Committee, where she attended meetings at the summer business meeting in July. She also continued her duties with the Beef Promotion Operating Committee. Kiley Martinell served on the Innovation Committee. Kathy Creighton-Smith served on the Consumer Trust Committee and continues to serve on the Market Research Working Group. Jan Allen shared that she served on the Health and Nutrition Committee. A full report was shared with the board through a monthly update.

USMEF- Jim Taber and Brett Dailey represent Montana at the national USMEF meetings and noted the market report included in the board member's packets.

Ex-Officio- Wes Plummer was not present.

USDA Oversight- Mike Dinkel, marketing specialist for USDA, reviewed his duties with the board as he oversees commodity checkoff programs and let the board know that the form to obtain producer consent has been approved by the Office of Management and Budget and could now be posted on the council's website.

Committee Reports:

The board heard reports from the following committees:

Executive- Chairwoman Kristin Larson

Budget- Chairman Jim Taber

Bylaws- Chairwoman Jan Allen

Education- Chairwoman Kiley Martinell

Producer Communication- Chairman Shane Flowers

Promotion- Chairman Richard Anderson

Special Committee Reports:

The board heard reports from the following special committees:

Collections and Compliance- Chairman Brett Dailey

\$0.25 Montana Research- Chairman Bill Cok

Nominating Committee- Chairwoman Kristin Larson moved her report to the end of the meeting.

Unfinished Business:

Outstanding Promotion Invoices- Kristin Larson and Jim Taber shared that in response to the June 21, 2017 Court Order, the board took action to halt promotional activities and directed staff to issue a memo noting the council's inability to meet agreements at that time. Brett Dailey moved to pay the outstanding promotional invoices totaling \$44,220.76 to meet the commitments to the promotion partners by utilizing the council's separate, non-federal checkoff account.

Shane Flowers moved to amend the motion to have the Council's financial advisors recommend the best investment account to subtract the funding from to make the payments. Andy Kellom seconded. Motion passed.

Kristin Larson reread the amended motion. Andy Kellom seconded the amended motion. Motion passed. Staff will report back to board with advice from the financial advisors and proceed with paying the outstanding invoices.

Unfinished Business continued:

FY 2017 Budget Amendments- Budget Committee Chairman Jim Taber explained the budget amendments that were needed because of the lawsuit that resulted in additional staff hours, legal fees, printing, postage, travel and meetings. Richard Anderson moved to amend the budget areas 501a-Salaries, 511b-Legal Fees, 517c-Collections Expenses and 901ja-Producer Communication Program Expense. Kathy Creighton-Smith seconded. Motion passed.

New Business:

Terms of Office Review- The current terms of office for each board member was passed around for review by each board member.

Annual Meeting Notices- The board was reminded to notify staff of upcoming meetings.

Membership Verification- Chaley Harney shared that all organizations had submitted their membership verifications and the requirements had been met.

CBB Review of Montana Beef Council- The board reviewed the notice from the Cattlemen's Beef Board that a review had been conducted of the Montana Beef Council in August.

CBB Administrative Agreement- Kristin Larson shared that it may become necessary for the Montana Beef Council to enter into an agreement with the Cattlemen's Beef Board to continue the mandatory beef checkoff collections and maintain office operations. The board reviewed a proposed agreement. Brett Dailey moved to accept an agreement between the Cattlemen's Beef Board and Montana Beef Council. Bill Cok seconded. Motion passed.

2018 Budget Review and Approval: The board reviewed the proposed 2018 fiscal year budget for the Montana Beef Council based on estimated beef checkoff collections for October 1, 2017-September 30, 2018. Kiley Martinell moved to approve the budget. Shane Flowers seconded. Motion passed.

2018 Marketing Plan Review and Approval: The board reviewed the proposed 2018 Marketing Plan compiled as a result of the proposed 2018 budget for Montana Beef Council. Jan Allen moved to approve the marketing plan. Richard Anderson seconded. Motion passed.

Conflict of Interest Statements- Each board and staff member received a copy of a conflict of interest statement to review and sign.

Nominating Committee- Chairwoman Kristin Larson shared that the committee had compiled a slate of officers, Federation Directors and USMEF Directors. She shared that they recommended Jim Taber for president and Kiley Martinell for vice president. The recommended Federation Directors were Kiley Martinell, Kathy Creighton-Smith, Andy Kellom and Shane Flowers. The USMEF Directors were Jim Taber and Brett Dailey. Kristin called for nominations from the floor and seeing none called for a motion. Richard Anderson moved to accept the recommendations. Bill Cok seconded. Motion passed.

Adjournment: President Jim Taber asked if there was any further business to come before the board and seeing none he called for adjournment. Kiley Martinell moved to adjourn and Andy Kellom seconded. Motion passed. The meeting was adjourned at 1:00 p.m.

Next Meeting: President Jim Taber moved that the executive committee meet and the committee chairs meet, possibly in November via teleconference, to review and discuss funding of programs with consented producer checkoff dollars available at that time. Bill Cok seconded. Motion passed.

The next regularly scheduled board meeting will take place on January 18, 2018 at the Montana Beef Council office in Billings, MT beginning at 8:00 a.m.