



Executive Committee Meeting Minutes

Thursday, May 14, 2020
12:00 PM MT – 1:00 PM MT
Teleconference

DRAFT

Call to Order

Chair, Hugh Sanburg called the meeting to order at 12:00 PM MT.

Members Present

Hugh Sanburg, Chair	Torri Lienemann
Jared Brackett	Philip Perry
Rich Brown	Irv Petsch
Chuck Coffey	Rob Von Der Lieth
David Hutsell	Norman Voyles

Members Absent

Amelia Kent	Michael White
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Guests/Staff Present

Wayne Watkinson, Legal Counsel	Kahl Sesker, USDA/AMS
Jeff Sotosky, USDA/AMS	Greg Hanes, CBB
Sara Arp, CBB	Jeff Lutz, CBB
Chad Smith, CBB	Sarah Metzler, CBB
Beka Wall, CBB	Cyndi Heimerich, CBB

Quorum

Chair, Hugh Sanburg, declared a quorum was present to conduct business.

Approve Agenda

Irv Petsch moved and Rob Von Der Lieth seconded to approve the agenda as emailed. Motion passed.

Approve Minutes

David Hutsell moved and Rob Von Der Lieth seconded to approve the March 19, 2020 minutes as emailed. Motion passed.

CEO Update

Greg Hanes, CEO, reported he has been in contact with all Contractors to see how COVID has affected their AR work. As of now, most are planning on utilizing their funds, but programs have been modified to address the situation. CBB will notify the committee if funds run short. Contractors will also be

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notified that collections could potentially be less than originally planned. CBB will monitor this very closely.

Hanes reported that he has been working with the officers on developing a position that would be focused on telling the Checkoff story. He has been in contact with the Federation Advisory Council and contractors to determine the best way to move forward. Beka Wall is working closely with Courtney and the Evaluation Committee chairs on ways to make their information easier to use and more relevant to decision making.

Revenue Projection Update for FY 2020

Norman Voyles, Secretary/Treasurer, presented the FY 2020 revenue projection update and noted domestic assessment for fiscal year 2020 are projected to be approximately \$34,700,000 or \$272,000 less than budgeted revenues of \$35,000,000. Import assessments are projected to be approximately \$7,000,000 or \$532,000 over budget. Total projected assessments for fiscal year 2020 are approximately \$41,700,000 compared to \$42,700,000 actual assessments for fiscal year 2019.

Interest income for fiscal year 2020 is projected to be \$229,000 as compared to the budget of \$402,000. This decrease is attributable to decrease interest earnings because of the lower interest rates environment during the period. Other income which is primarily late fees is projected to be \$30,900 as compared to the budget of \$30,000.

In summary, factoring in the current market disruptions, total revenue is still projected to exceed budgeted revenue by approximately \$88,000. CBB staff is closely monitoring the revenue and will update the forecasted revenue as needed. CBB will make the committee aware of any forecasted shortfalls in revenue as compared to budgeted revenue as applicable.

Operating Committee Report

Jared Brackett, Chair of the Operating Committee, provided a brief report on the May 12th conference call with the Budget and Audit Committee who recommended a budget for FY 2021 in the amount of \$42,595,910. This includes an authorization request budget of \$39,064,010, evaluation budget of \$254,000, and program development budget of \$444,500 bringing the total program budget to \$39,762,510. In addition, the committee also recommended \$720,000 for USDA oversight budget and \$2,113,400 for administration budget. During the May 14th Operating Committee conference call, the Operating Committee recommended a program budget of \$39,762,510 which includes \$39,064,010 for authorization requests, \$254,000 for evaluation budget and \$444,500 for program development.

Hugh Sanburg, Chair, asked for any discussion.

Jared Brackett moved and Rob Von Der Lieth seconded to approve the FY 2021 recommended budget. Motion passed.

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Irv Petsch moved and Philip Perry seconded to ratify the actions of the Operating Committee. Motion passed.

Brand and Trade Name References

Hugh Sanburg, Chair, asked for questions or discussion around the National Promotion Brand or Trade Name References for the following:

- National Promotions
 - The Beef Checkoff Program requests approval for a partnership with Creekstone Farms Premium Beef
 - The Beef Checkoff Program requests approval for a partnership with JBS

Rob Von Der Lieth moved and David Hutsell seconded to ratify the above National Promotion Brand and Trade Name References. Motion passed.

- State Promotions
 - Washington State Beef Commission requests approval for a partnership with Rosauers Supermarkets Inc/Super 1/St. Helens Premium Angus Beef
 - Washington State Beef Commission requests approval for a partnership with Snake River Farms/Agri Beef

Jared Brackett moved and Irv Petsch seconded to ratify the above State Promotion Brand and Trade Name References. Motion passed.

Revised Brand Guidelines Document

Sarah Metzler, CBB, presented the revised Brand Guidelines and asked for comments from the committee. After review, it was suggested that Checkoff should always be capitalized. Another suggestion was to add a photography section to these guidelines.

Rich Brown moved and Philip Perry seconded to approve always capitalizing Checkoff when we use it. Motion passed.

Summer Business Meeting

Sara Arp, CBB, and Greg Hanes, CBB, reported we are working with the hotel and others to get weekly updates for holding the Summer Business Meeting in Denver. We will continue to closely monitor the situation and inform the committees and Board Members as we get updates.

Officer/CEO Travel Report

No updates on travel due to the COVID-19 pandemic.

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Update on Litigation

Wayne Watkinson, Legal Counsel, provided an update on the litigation.

Other Business

Hugh Sanburg, Chair, noted we will schedule another conference call in June as we get updates on the Summer Business Meeting.

Executive Session

Rob Von Der Lieth moved and Philip Perry seconded to move into Executive Session. Motion passed.
The Executive Committee went into Executive Session at 12:49 PM and adjourned into open session at 12:52 PM.

Adjourn

Rich Brown moved and David Hutsell seconded to adjourn the meeting at 12:52 PM MT.

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