



Budget & Audit Committee Meeting Minutes

Tuesday, May 11, 2021
11:00 AM – 12:00 PM MT
Zoom Meeting

DRAFT

Call to Order

Chair Kathy Sautter called the meeting to order at 11:00 AM MT.

Members Present

Kathy Sautter, Chair
Seth Denbow
Bree DeNaeyer
DJ Edwards
Jason Hitch

Terry Quam, Vice Chair
Bill McLaren
C.W. Senn
Jimmy Taylor, Ex Officio

Guests/Staff Present

Kahl Sesker, USDA-AMS
Norman Voyles, Jr., CBB
Jeff Lutz, CBB
Greg Hanes, CBB
Sara Arp, CBB

Amy Jones, Legal Counsel
Hugh Sanburg, CBB
Beka Wall, CBB
Chad Smith, CBB
Cyndi Heimerich, CBB

Approve Agenda

Chair Kathy Sautter asked for a motion to approve the agenda. Bree DeNaeyer moved and Jason Hitch seconded to approve agenda as emailed. Motion passed.

Approve Minutes

Chair Kathy Sautter asked for a motion to approve the minutes of April 19, 2021. C.W. Senn moved and Bill McLaren seconded to approve minutes of April 19, 2021 as written. Motion passed.

Review CBB's Projected Revenues for FY2021

Chair Kathy Sautter called on Jeff Lutz and Chad Smith to review assessment revenue for FY 2021 as of April 30, 2021.

Determine CBB's Projected Revenues for FY2022

Jeff Lutz and Chad Smith presented the projected revenues for FY 2022. The projected revenue for domestic assessments were calculated using a model based on CattleFax's projected cattle inventory as of January 1, 2022.

Develop CBB's Budget for FY2022

Jeff Lutz presented CBB's requested budgets for Evaluation (\$244,000), Program Development (\$470,000), Checkoff Communications Resource (\$200,000), USDA Oversight (\$850,000), Supporting Services & Litigation (\$270,000) and Administration (\$2,091,600).

Mr. Lutz explained the recommended Evaluation budget was decreased for FY 2022 as compared to FY 2021.



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The recommended Program Development Budget increased for FY 2022 due to travel costs and meeting expenses.

The recommended Checkoff Communications Resource (CCR) for FY2022 is estimated at \$200,000. This is a new budget component that started in FY2021.

The recommended USDA budget was increased by \$400,000 to cover the costs of on-going litigation, and the potential costs of petition signature verification and conducting a referendum. An additional budget component has been added for Supporting Services & Litigation.

The recommended Supporting Services & Litigation budget for FY2022 is a new budget component this year.

Mr. Lutz also explained that the Administration budget was 5% of the projected revenue for FY2022.

After subtracting the total expense budgets of \$4,125,600 from the total available for the budget of \$41,832,000, the funds available for the Beef Promotion Operating Committee to spend for Authorization Requests are \$37,706,400.

Seth Denbow moved and C.W. Senn seconded approval of the FY 2022 budget of \$41,832,000 to include \$37,706,400 available for Authorization Requests, \$244,000 for Evaluation, \$470,000 for Program Development, \$200,000 for Checkoff Communications Resource, \$850,000 for USDA Oversight, \$270,000 for Supporting Services & Litigation and \$2,091,600 for Administration. Motion passed.

Other Business

No further business was brought up for discussion.

Adjourn

C.W. Senn moved and Bree DeNaeyer seconded to adjourn at 12:03 PM MT.