



# Beef Promotion Operating Committee Meeting Minutes

Thursday, May 12, 2022  
Conference Call  
11:00 AM – 12:00 PM MT

**DRAFT**

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## **Call to Order**

Beef Promotion Operating Committee Chair Norman Voyles, Jr. called the meeting to order at 11:02 a.m. on Thursday, May 12, 2022, and thanked everyone for attending the meeting.

## **Members Present**

Norman Voyles, Jr., Chair  
Andy Bishop  
Katie Cooper  
Cheryl DeVuyst  
Jeff Isenmann  
Torri Lienemann  
Bill McLaren  
Ryan Moorhouse  
Jimmy Taylor  
Michael White

Brad Hastings, Vice Chair  
Nancy Jackson, DVM  
Chris Jeffcoat  
Scott Lake  
Al Lyman  
Travis Maddock  
Kiley Martinell  
Clark Price  
Jeff Rudolph

## **Members Absent**

Dan Gattis

## **Guests/Staff Present**

Greg Hanes, CBB  
Jeri Hanson, CBB  
Lacey Heddlesten, USDA-AMS  
Sami Ichrist, CBB  
Todd Johnson, NCBA  
Jeff Lutz, CBB

Sarah Metzler, CBB  
Kathy Sautter, CBB  
Chad Smith, CBB  
Steve Springer, CBB  
Beka Wall, CBB  
Wayne Watkinson, Legal Counsel

## **Establish a Quorum**

Chair, Norman Voyles, Jr. asked Sami Ichrist to do a roll call of the committee members. He then declared a quorum was present to conduct business.

## **Approve Agenda**

Chair, Norman Voyles, Jr. asked for a motion and second to approve the agenda as emailed or amended. Bill McLaren motioned, and Al Lyman seconded to approve the agenda as emailed. Motion passed.

## **Approve Minutes of the April 8, 2022 Meeting**

Chair, Norman Voyles, Jr., asked for a motion to approve the minutes of the April 8, 2022 meeting as emailed or amended. Jimmy Taylor motioned, and Cheryl DeVuyst seconded to approve the April 8, 2022 minutes as emailed. Motion passed.



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## **Revenue Projection Update for FY 2022**

Jeff Lutz, CFO, presented the revenue projection update for FY 2022 as follows:

- 2022 Budget is 6.5 million and projected revenue is 8.6 million with excess revenue of 2 million
- Interested income projected at 104K and is 85K so slight deficit
- Other revenue (late fees) is at the projected 28K
- The estimated excess revenues are 2.3 million which is conservative as domestic revenues are increasing, as a result of a trend in herd liquidation.

Mr. Lutz gave an overview of the drought monitor map, reporting over 50% of the lower 48 states are experiencing drought and it's moving across the U.S resulting in herd liquidation. This liquidation would generate a spike in domestic revenues that would later tail off. Based on previous drought trends he proposed a plan to hold back some of the excess revenues due to the herd liquidations to offset the lower revenues in future years and lessen the impact on the programs.

There was discussion regarding the proposal Mr. Lutz presented.

## **FY 2023 Proposed Budget**

Kathy Sautter, Chair of the CBB Budget and Audit Committee presented the FY 2023 Proposed Budget as follows:

<b>Total Funds Available to Budget</b>	<b>\$41,897,000</b>
Evaluation	(270,000)
Program Development	(585,000)
Checkoff Communications Resources	(200,000)
USDA Oversight Budget	(550,000)
Supporting Services & Litigation	(270,000)
State Services	(205,000)
Administration	(2,094,850)
<b>Total CBB-only budgeted expenses</b>	<b>(4,174,850)</b>
<b>Total FY 2023 Program Budget</b>	<b>\$38,777,150</b>

Kathy further reported that the recommended Program Development Budget increased 24.5% for FY 2023 due to higher travel costs and expenses associated with meetings. In addition, administration costs carefully reviewed and some that had previously been allocated to the Administration Budget were moved to this budget category to capture this expense more accurately.

Brad Hastings requested a definition of the new State Services budget category and clarification of the Supporting Services & Litigation category and CFO, Jeff Lutz provided both.

Upon no further questions regarding the proposed FY 23 Budget, Chair Norman Voyles, Jr. asked for a motion to approve the budget as presented. Jeff Iseman moved, and Bill McLaren seconded to approve the FY 2023 Budget as proposed. Motion passed.



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## Other Business

- CFO, Jeff Lutz presented the following change to the 2023 MOA as requested by the USDA-AMS after their review and approval process:
  - The addition of a paragraph which states that the Board and the Contractor agree that no funds appropriated by the U.S. Government may be used, made available or sought by any party to pay any indemnification obligation or to meet any deficiency arising under or relating to this agreement. Jeff Isenmann moved, and Clark Price seconded. Motion passed.
- Chair Norman Voyles, Jr. reviewed the upcoming BPOC meeting dates.
- CEO, Greg Hanes reviewed the following BPOC meetings:
  - An unofficial BPOC meeting planned on the Wednesday of the Reno Summer Business Meeting.
  - The next official BPOC meeting is the funding meeting in Denver on September 7-8<sup>th</sup>.
  - Quarterly BPOC zoom calls will be set up moving forward.
  - Sneak Peek webinars prior to the Summer Business Meeting or before the September meeting with more information forthcoming.
  - A possible fiscal year update BPOC conference call after the September meeting.

## Adjourn

There being no further business, Michael White motioned, and Scott Lake seconded to adjourn the meeting. Motion passed and the meeting adjourned at 11:50 a.m. MT.