

MONTANA WHEAT AND BARLEY COMMITTEE

Annual Budget Meeting

Heritage Inn

Great Falls, Montana

November 27-28, 2017

The following were present for either a portion of or the entire meeting.

DIRECTORS

Denise Conover, Chairwoman

Randy Hinebauch, Vice Chairman

Alan Klempel, Director

Chris Kolstad, Director

Buzz Mattelin, Director

Bruce Myllymaki, Director

Mike O'Hara, Director

EX-OFFICIOS

Ben Thomas, Director, Montana Department of Agriculture

Dr. Charles Boyer, Vice President of Agriculture, MSU

Not Present: Blake Malcolm, CGI

STAFF

Collin Watters, Executive Vice President

Cassidy Marn, Marketing Program Manager

Steve Becker, Outreach Coordinator

Kolleen Spurgin, Budget & Grants Coordinator

Tammy Suek, Administrative Assistant

GUESTS

Cort Jensen, Staff Attorney, Department of Agriculture

Kim Mangold, Deputy Director, Department of Agriculture

Lola Raska, Executive Vice President, MT Grain Growers

Rob Davis, President, MT Grain Growers

Lochiel Edwards, Director, Montana Grains Foundation

Zach Coccoli, Staff Attorney, Dept. of Agriculture

Eric Sommer, USDA, NASS

Leonard Schock, Producer

Michelle Jones, MGGA

Frank Schoonover, Producer

Monday, November 27, 2017:

Chairwoman Conover called the meeting to order at 8:05 a.m. Introductions were made, the new director Alan Klempel introduced himself. Executive Vice President Watters announced that Blake Malcolm has resigned as the Grain Trade representative and that he will begin a search for a replacement.

Chairwoman Conover asked for public comment and Lochiel Edwards thought the committee should consider dipping into the budget reserves because of the need for cuts to the upcoming budget.

Director Myllymaki moved and Director Mattelin seconded the motion to approve the tentative agenda with changes. The motion passed unanimously.

Review of October 13, 2017 Meeting Minutes

Chairwoman Conover presented the minutes of the Fall Board Meeting.

Director O'Hara moved and Director Kolstad seconded the motion to approve the minutes with changes. The motion passed unanimously.

Montana Department of Agriculture

Deputy Director Mangold gave the update for the department. There have been some personnel losses at the department which will put a strain on the agency until those positions are filled. There are some rule changes taking place because of the last legislative session.

The department hosted a food summit in Bozeman and it was a huge success, with a lot more participants than expected.

Montana State University Update

Dr. Boyer let the directors know that the university system was spared additional budget cuts. Mike Giroux has agreed to serve as interim plant sciences department head along with his other duties.

MT Farmers Union Convention & Wheat Marketing Center Board Meeting

Director Myllymaki attended a few hours of the Farmers Union convention, it seemed to have a low turnout.

He traveled to Portland for the Wheat Marketing Center Board Meeting. An audit was done and came back as clean, they have a new website along with the new displays in the lobby. They are going through staffing changes and the stone mill was still in the box.

Transatlantic Dialog Trip

Directors Mattelin and Schock attended the event in Germany along with a few folks from MGGA and Nebraska. They toured farms in the area and had good conversations about how their operations. Both would recommend it again.

Rail Service Competition Commission

Deputy Director Mangold and Director O'Hara attended the meeting in Helena. They reported that the relationships are better and there are no problems at this point.

Mexican Craft Brewers Convention

Director O'Hara and Department of Ag Director Thomas attended the convention on behalf of U.S. Grains Council. They met with Constellation, who want a relationship with producers. The convention was very large with at least 20,000 in attendance.

Northern Crops Institute Board Meeting

Director Hinebauch traveled to Fargo for the meeting, it was the last for Mark Weber as NCI director. Montana Wheat & Barley presented him with a plaque for his service. Mark Jirik, the new director was there for the board to meet. Director Hinebauch

reported that the committee funded NCI at \$30,000 last year but the pulse committee only funded \$2800.

Field to Market

Director Mattelin reported on his meeting, there are 130 members from all sectors of agriculture. The field footprint calculator is almost complete and should have the addition of barley added shortly.

U.S. Wheat Associates Fall Board Meeting

Directors Kolstad and Conover and EVP Watters attended the meeting in Charleston, SC. Director Kolstad reported that the USWA's stand is that they do not want NAFTA to go away and will help in way to make sure that does not happen. Cuba is at a stand still and they will be closing the Egypt office soon.

Director Conover attended the Food-Aid and Wheat Quality sessions, food-aid is the 4th largest customer for U.S. wheat. Wheat quality talked about a preferred variety list for states.

EV President Watters reported that Mark Fowler is reviewing the structure of the overseas offices.

Program Manager Report

Cassidy Marn updated the directors on the trade teams we hosted this season.

Outreach Coordinator

Steve and Cassidy attended the FCCLA in Sunburst and gave three presentations to a group of about 85 students.

Executive Vice President's Update

Collin has been talking to MSU about a varietal survey for Montana. He had just returned from the USWA Asian Crop Tour where he did a presentation on Hard Red Winter wheat, in 7 different countries.

Approval of Staff and Director Travel

A few items were added to the upcoming travel (see below) for approval.

Director Mattelin moved to accept the new travel schedule with additions and Director Hinebauch seconded. The motion passed unanimously.

Upcoming Events

Nov. 28-30	MGGA Convention – Great Falls
Nov. 29	MWBC 50 th Anniversary Dinner – Great Falls
Dec. 5-8	Producer Tour – Portland
Dec. 15	USWA/NAFTA Ag Trade – Winnipeg, Canada
Dec. 25	Christmas Day – Office Closed
Jan. 1	New Year's Day – Office Closed
Jan. 15	MLK Day – Office Closed

Jan. 17	State Communicators Meeting – Scottsdale, AZ
Jan. 17-19	Wheat Foods Council Meeting – Scottsdale, AZ
Jan. 19-20	Young Ag Couples Conference - Helena
Jan. 23	Japanese Flour Millers Anniversary – Tokyo, Japan
Jan. 24-26	MABA/MGEA Convention – Great Falls
Jan. 24-26	PNW Wheat Quality Meeting – San Diego, CA
Feb. 4-7	National Barley Growers – Washington, DC
Feb. 6-11	USWA Winter Board Meeting – Washington, DC
Feb. 12-14	USGC Annual Meeting – Houston, TX
Feb. 19	President's Day – Office Closed
Feb. 20-22	Wheat Quality Council Meeting – Kansas City, MO
Mar. 3-7	National Barley Improvement Committee – Washington, DC
Mar. 7-8	Western Barley Growers Association – Calgary, Canada
Mar. 18-20	National Pasta Association Meeting – Naples, FL
Mar. 22-23	Wheat Marketing Center Board Meeting – Portland, OR
May 28	Memorial Day – Office Closed
Jul. 18-20	USW Latin America Buyers Conference – Rio de Janeiro, Brazil
Aug. 25-29	USW North Asia Marketing Conference – Kota Kinabalu, Malaysia

New Business

The next meeting will be in Bozeman on March 12 & 13, 2018.

Lunch

Financial Review

Directors Mattelin and Kolstad suggested a target budget of \$3,800,000 the rest of the directors agreed.

Budgeting

The committee began discussions about applications.

Chairwoman Conover postponed the meeting until the next day at 8:00am.

Tuesday, November 28, 2017

Chairwoman Conover called the meeting to order at 8:05 a.m. She called for public comment and heard none.

Board Assignments

The committee went over the board assignments and added Director Klempel and moved a few more.

Budgeting

The committee continued discussion of applications.

Break

Transportation Update

Zach Coccoli let the board know of his activities he is doing on behalf of the committee, including traveling to the STB and working with the RSCC.

Department of Agriculture Update

Director Thomas gave his comments on the Mexican Craft Brewers Convention he attended with Director O'Hara.

Budgeting Continued

Executive Session

Closed to the public

Lunch

Board Picture

Final Budgeting Numbers (See Attached)

Director Hinebauch moved that the budget total of \$3,973,840 be approved, Director Mattelin seconded. The motion passed unanimously.

The breakdown is as follows:

Operations:	\$ 833,347
Marketing:	\$1,053,066
Education:	\$ 226,400
Transportation:	\$ 77,284
Research:	\$1,783,743

Chairwoman Conover called for public comment:

Eric Sommer from USDA had some information for the committee.

Chairwoman Conover adjourned the meeting at 1:55 p.m.

Collin Watters, Executive Vice President

Date