

# MICHIGAN BEEF INDUSTRY COMMISSION

## Board Meeting

Tuesday September 22, 2022

12800 Escanaba Drive

DeWitt, MI 48820

Microsoft Teams

### **Commissioners in Attendance In Person:**

Monte Bordner

Jon Haindl

Leon Knirk

David Neitzel

Travis Schunk

### **Commissioners in Attendance via MS Teams:**

Dave Clark

Jennifer Lewis

Matt Noggle

### **Others Present:**

George Quackenbush, MBIC

Jacquie Harrison, MBIC

Katie Serbinski, MBIC

Sara Horton, MBIC

Heather Throne, MDARD

### **Not in Attendance:**

Bret Schapman

### **Welcome and Call to Order**

Chairperson Monte Bordner called the meeting to order at 9:01am. A quorum is set in that eight commissioners are present in person or virtually.

### **General Business & Information**

#### **Approval of Agenda & Additions**

Leon Knirk requested to add a discussion of future programs within a one-year plan as it pertains to Michigan, specifically.

Jon Haindl **MOVED** to approve the agenda as amended. Travis Schunk **SUPPORTED**. **MOTION CARRIED**.

#### **Approval of Minutes – Jon Haindl, Secretary**

Jon Haindl **MOVED** to approve the minutes of the August 25, 2022, board meeting. Leon Knirk **SUPPORTED**. **MOTION CARRIED**.

#### **Financial Report - Treasurer**

In lieu of a report by Jill Sears, whose term with MBIC ended as of September 20, 2022, George Quackenbush presented the financial reports as of August 31, 2022. George noted that the annual total expenses may need to use some of the pre-authorized fund balance withdrawal of \$50,000 for promotional projects but not the pre-authorized \$36,000 for operating expenses.

Leon Knirk **MOVED** to approve the August 31, 2022, financial reports. Jon Haindl **SUPPORTED**. **MOTION CARRIED**.

### **Information**

#### **Nutrition & Consumer Communications Report – Katie Serbinski**

- Katie reported that she was involved with a school lunch presentation at WILX Studio 10, a Lansing area television program, which airs on Thursday, September 22.
- Katie will attend and have a booth at the Michigan Academy of Pediatrics Conference in Ann Arbor on Friday, September 30.

- Susan Salaski, a writer from Detroit Free Press, asked for more information after seeing the MIS post-weekend press release. She wants information about beef producers' selling beef directly to the consumer and how that has become more of a trend in the state. Kevin Gould, MSU Beef Team, has provided information to Susan. Katie is not sure when this will be published but MBIC will have print and digital access to the article.

### **Executive Report – George Quackenbush**

George Quackenbush reported that he and Katie spoke at a University of Michigan Environmental Journalism class. MBIC is invited to speak every semester in conjunction with other speakers, such as dieticians. The dietician that typically speaks to the class, promotes a vegetarian diet but this year it appears her opinion has shifted to a "plant forward" diet and not a "don't include meat in your diet". There has been good progress in communicating the value and nutritional benefits of beef.

NCBA put out a series of stories called "Built by Beef" which features and promoted by athletes speaking about beef's benefits. These stories include the spokesperson Tony Romo and other known sports figures. These stories have been featured in Sports Illustrated.

NCBA will sponsor a third Beef It's What's for Dinner 300 race in Daytona in 2023. The brand promotion will continue with the NASCAR audience.

Climate week is September 19-24, 2022 and the Checkoff had a session at the New York Climate Week conference called "Choose a Climatarian Diet-Beef as the Ultimate Climate Smart Food". The session included a beef sustainability expert, meat scientist, an up-cycling expert talking about the role of the ruminant animal in converting forage into protein, and a former vegetarian and cattle rancher speaking on behalf of beef at the session.

Katie Serbinski and George Quackenbush reviewed, with the Board, a program summary with the Core Strategies that occurred in FY22 including the initiative and tactics for each core strategy.

The Board discussed an involvement with the dairy FARM (Farmers Assuring Responsible Management) Program, which is aligned with the Beef BQA curriculum, and whether funds be applied to support the certification of dairy producers. The Board also would like to look into the availability and acquisition of farm signage signifying a producer's status as a BQA certified farm.

Monte Bordner suggested that MBIC work with MDARD to reach out to custom slaughter facilities and get the \$1 per head checkoff assessment withheld from or paid by the producer that brings one or a few head for processing. Heather Throne suggested talking with the MDARD legal department and other state departments to generate private treaty revenue under the beef checkoff. It is reasonable to ask the custom processor to communicate the checkoff rules with the producer who is selling cattle to individuals.

The Beef Promotion Operating Committee met recently and approved the appropriation of \$38.5 million budget for FY23, of which \$9.4 million to go toward promotions and \$9 million for research programs, \$7.4 million for consumer information, \$2.6 million for industry information, \$8.2 million for foreign marketing, and \$1.8 million for producer communications.

### **Policy Decisions**

#### **MBIC/MCA Operating Agreement**

George Quackenbush reviewed the proposed amendments to the MBIC/MCA Operating Agreement as offered by the MBIC, the MBIC Chairperson and MCA President.

Travis Schunk **MOVED** to approve the MBIC/MCA Operating Agreement as presented. Jon Haindl **SUPPORTED. MOTION CARRIED.**

#### **Open Meetings Act Policy**

Jon Haindl **MOVED** to approve the amended Open Meetings Act Policy. Jennifer Lewis **SUPPORTED. MOTION CARRIED.**

#### **Freedom of Information Act Policy**

Leon Knirk **MOVED** to approve the Freedom of Information Act, which is unchanged from FY21 version. Travis Schunk **SUPPORTED. MOTION CARRIED.**

## **Conflict of Interest Disclosure**

There is no need for the MBIC Board to approve of this document, but all board members are required to disclose and conflict of interest and sign the document.

## **Elections**

### **MBIC Officers: Chair, Vice Chair, Secretary, Treasurer**

Nominations were opened for Chair of the MBIC Board. Jennifer Lewis nominated Monte Bordner for Chair. Jon Haindl **MOVED** that nominations for Chair be closed and a unanimous ballot be cast for Monte Bordner. Travis Schunk **SUPPORTED. MOTION CARRIED.**

Nominations were opened for Vice Chair of the MBIC Board. Jon Haindl nominated Bret Schapman for Vice Chair. Jon Haindl **MOVED** that nominations for Vice Chair be closed and a unanimous ballot be cast for Bret Schapman. Leon Knirk **SUPPORTED. MOTION CARRIED.**

Nominations were opened for Secretary of the MBIC Board. Travis Schunk nominated Jon Haindl for Secretary. Jennifer Lewis **MOVED** that nominations for Secretary be closed and a unanimous ballot be cast for Jon Haindl. Dave Neitzel **SUPPORTED. MOTION CARRIED.**

Nominations were opened for Treasurer of the MBIC Board. Jon Haindl nominated Leon Knirk for Treasurer. Jon Haindl **MOVED** that nominations for Treasurer be closed and a unanimous ballot be cast for Leon Knirk. Travis Schunk **SUPPORTED. MOTION CARRIED.**

## **NCBA Federation Division Director(s)**

George Quackenbush reported that the number of Federation Directors chosen by a Qualified State Beef Council does not change until after the NCBA annual audit is completed and approved for that Fiscal Year. The change in the number of Federation Directors will be in effect at the 2024 Summer Business Meeting and 2025 Beef Industry Convention. Therefore, the director fees paid in FY22 will apply for the FY23 attendance at the convention and summer business meeting.

Jon Haindl **MOVED** to nominate Travis Schunk and Leon Knirk to be Michigan's NCBA Federation Division Directors and to cast a unanimous ballot for them both. Dave Neitzel **SUPPORTED. MOTION CARRIED.**

## **Allied Industry Reports**

### **Michigan State University**

Dr. Ernst reported that the number of students in the Animal Science department at MSU continues to grow which puts a strain on the staff. The total number of undergraduate students is 577, of which 86% are women. The total number of graduate students is 40. Forty percent of undergraduates (freshman & sophomore) are undecided in their area of study, but a majority of other undergrads (222 students) have Animal Biology and Pre-Veterinarian majors.

In the beef program, 3 students have interned for teaching and 19 have interned for more advanced work. MSU is using the beef unit more for teaching.

On the research side, there are three active MAAA grants for beef research managed by Dr. Buskirk and Dr. McKendrick. One of the research programs is Bovine Leukemia Virus in dairy and beef cattle while another is research on Holstein cross managed by Jarod Jaborek.

From extension, Jarod Jaborek is now a certified ultrasound technician, and the duties will now move from Kevin Gould to Jaborek.

There were 1,600 beef producers certified or re-certified in BQA in FY22.

Local beef from the MSU Beef Center is served at all MSU food service locations.

Dr. Buskirk hosted an outreach activity with Kentucky Farm Bureau touring the MSU meat lab. Sysco and Certified Angus Beef also have toured the meat lab.

The MSU solar project is currently paused but will continue to phase out beef pastureland. There are uniform grazing plots and facilities being built and these will also help research projects.

Donations via Michigan Cattlemen's Association to the MSU Beef Endowment Fund does go directly to the MSU Animal Science Department and are used at the discretion of the beef program faculty.

## **Agenda Addition**

The Board wants to focus on projects that need to be prioritized and layout ongoing projects for what and how many years it takes to complete, the cost of projects, and what is accomplished or what is not needed to continue. Additionally, what are the organizational weekly and monthly goals and objectives. These topics need to be discussed at a future meeting, possibly the December 2022 meeting. The chairman will recruit a facilitator. George was asked to provide a simplified list of priorities and projects.

## **FY 2023 MBIC Budget & Marketing Plan**

George Quackenbush reviewed the 2022-2026 Strategic Plan, noting specifically the FY2023 plans, and correlated it to the proposed FY2023 MBIC budget.

George reviewed the proposed FY2023 budget. One change to the proposed budget is that MBIC may need to pay for internet services, which was provided in the office lease agreement with Cherry Marketing Institute. MBIC may need to hard-wire internet to achieve good internet service for the staff.

Travis Schunk **MOVED** to approve the FY2023 budget as presented. Jon Haindl **SUPPORTED. MOTION CARRIED.**

## **Allied Industry Reports**

### **MI Department of Agriculture and Rural Development – Heather Throne**

Heather Throne reported that the Michigan legislature and governor have approved a new budget for MDARD for the upcoming year.

The Farm Innovation Grant will provide two rounds of appropriations. This grant program has very broad requirements and includes working with universities and other entities. Each round of applications, first and second rounds, in FY2023 will provide \$1.5 million in awards. MDARD is partnering with other industry partners to review and score the grant applications. Applicants are asked to “pitch” their proposals in person and meeting will be held to provide time for that. There is a zero-match requirement.

The Rural Development Grant is provided based on county population and anything community related. There will be \$1.8 million for FY23 and will be announced on October 3, 2022. Each grant will award \$100,000 with a 30% match requirement.

Funding for expanding meat processing is being provided to Michigan from federal funds.

In the FY2023 Michigan budget \$3.8 million will go toward wastewater programs, probably through grant programs. MDARD will work with EGLE to find out what is the status of wastewater needs.

### **Michigan Cattlemen’s Association**

George Quackenbush reported that

- the Bull Evaluation Program for FY2023 is in process. The new barn in Remus, MI is close to completion. One hundred bulls have been nominated.
- Dr. Buskirk worked with George to discuss MCA’s eligibility to apply for an MDARD Farm Innovation Grant focused on enabling the Bull Evaluation to measure feed efficiency.
- Dr. Buskirk reports that his groups presentation of their MAAA research on traceability is seed research to apply for a USDA-NIFA grant in October.
- The Summer Round Up committee has been looking at potential locations for the 2023 event and is using results from a survey of MCA members.
- The Beef Expo will need to make changes but there is strong interest in continuing the format and location.
- The MCA Executive Committee will begin the budget process in October.

## **Commissioner Reports and Public Comments**

Travis Schunk reports that August was a tough month, but the packing house is staying full now. There are more native cattle (colored beef) in the inventory. Prices on live cattle is expected to go up in the next few years. There is a new JBS contract for Holstein/beef cross cattle.

Jon Haindl reports that the UP is seeing a good year in general. Jon hosted a group from Wisconsin to tour his farm and hear his farming story.

Dave Neitzel says that retail tonnage is down and prices are up due to inflation. Certified Angus Beef (CAB) is doing a training event at MSU. CAB did one at University of Wisconsin as well. Dave said he is glad to provide various reports to the staff and Board and would be glad to offer more, if requested. Monte Bordner reports that the harvest of seed corn is well underway. Beans are a little late this year. His region had adequate moisture compared to most years but he is concerned about corn silage this year.

### **FY 2023 Meeting Dates**

The proposed dates for board meetings needs to be changed for the September 2023 meeting. There are scheduling conflicts and the board members would be more available on September 14, 2023 instead of September 28.

FY 2023 proposed meeting schedule: December 15, 2022, March 16, 2023, July 20, 2023, September 14, 2023. Leon Knirk **MOVED** to approve the proposed meeting schedule. Travis Schunk **SUPPORTED. MOTION CARRIED.**

### **SBC Director Orientation – October 26, 2022 in Denver, CO**

George Quackenbush officially requested a closed session with the Board.

Jon Haindl **MOVED** that the Board and George Quackenbush go to executive session to evaluate the Executive Director. Leon Knirk **SUPPORTED.** By role call vote: Leon Knirk – yes; Dave Neitzel – yes; Jon Haindl – yes; Travis Schunk – yes; Matt Noggle – yes; Monte Bordner – yes; Jennifer Lewis – no response; Dave Clark – no response. **MOTION CARRIED.**

The regular session of the board meeting adjourned at 2:04 pm to go into executive session.

The chairperson announced that the regular session resumed at 3:16 pm.

The board discussed the Executive Director evaluation. Jon Haindl **MOVED** that the Board Chairperson visit with the Executive Director with regard to his position as soon as possible. Dave Neitzel **SUPPORTED. MOTION CARRIED.**

The regular session board meeting adjourned at 3:20 pm.

Respectfully submitted,

Jacquie Harrison  
Administrative Office Manager

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Monte Bordner, Chair

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Jon Haindl, Secretary