



Draft Minutes September 11-12, 2017 Natural Bridge, VA
(edited 9/21 with board feedback for grammar)

MONDAY, SEPTEMBER 11

Attendance: Bobby Combs, Melissa Ball, Lisa Lloyd, Bill McDonald, Andy Smith, JS Staley, Cecelia Moyer, Mark Gwin, Chas Potter, Hank Maxey, Mike Carpenter, Lawson Roberts, Shirley Powell, Jerry Gustin, Mark Sowers, Teresa Volk, Valerie Rasmussen
Absent: Craig Miller, David Coleman, Dave Gerrard, Jason Carter

Welcome: Mark Gwin

Mark welcomed the group to Natural Bridge and thanked everyone for their attendance. Mark laid out the priorities of this meeting including:

- staff updates
- grant reviews
- creating a budget for FY18.

All members introduced themselves.

Initial Business: Minutes. No discussion. Voting:

Minutes February 2017

Motion: To approve minutes –Andy Smith
Approved

Seconded: Jerry Gustin

Minutes: June 2017

Motion: To approve minutes – Andy Smith
Approved

Seconded: Jerry Gustin

Chairmanship Discussion: Mark Gwin is eligible to be re-elected as chairman. The floor was opened for other nominations. Seeing none, Mark stepped out of the room for further discussion and voting.

Chairmanship Voting

Motion: To re-elect Mark Gwin as VBIC Chairman – JS Staley
Seconded: Mark Sowers
Approved

Vice-Chairmanship Discussion: We have not had a vice-chairman in some time. Questions arose about the structure of VBIC and what was required for an executive committee. Valerie explained that while there are no official set of by-laws for this group, it was traditional to have a chairman, vice-chairman, and past-chairman attend executive committee meetings. In the future, with by-laws, the executive committee could grow to include a treasurer and secretary, if the board desires.



JS nominated Andy Smith as a candidate for Vice Chairman. Andy raised the question of whether this would be a conflict of interest since he is currently serving as VCA's president. It was agreed amongst the board that this would be a conflict, and JS rescinded his nomination. Hank Maxey nominated Jerry Gustin as Vice-Chairman, seconded by Lawson Roberts. Jerry's first term expires 12/31/17, but he agreed to serve a second term if appointed by the Governor. Jerry stepped out for further discussion and voting.

Vice-Chairmanship Voting

Motion: To elect Jerry Gustin as VBIC Vice-Chairman – Andy Smith

Seconded: Chas Potter

Approved

Expiring Terms Discussion: Andy Smith, Jerry Gustin, and Lawson Roberts will all have expiring terms on 12/31/17, but are eligible for renewal. Each was asked if they would like to serve a second term, and all agreed to re-appointment if approved.

Structure Committee Update: Mark Gwin updated the board about the current Structure Committee, which was created to find a new staffing structure that suits the new needs of the beef council. Mark stressed that this group is looking for a structure that works for Virginia specifically, although they will be considering other state structures in their decision process. The new structure will still emphasize a good working relationship with VCA and other organizations to be determined (such as a possible State Assessment).

- Discussion about legal approval for any structure that is selected.
 - Any new structure will need to receive CBB approval through a requalification of SBC status.
 - VBIC also has access to a law firm through their contract with VCA

The committee is comprised of Mark Gwin, Jerry Gustin, Hank Maxey, and Bill McDonald. Jason and Valerie will be an integral part of the planning process, though they can be excused from any conversations that the committee deems necessary. The next meeting will be in October.

Staff Update: Valerie Rasmussen

Valerie presented FY17 program highlights, including Marine Corps Marathon, Fire Flour and Fork, Digital Promotions, Ibotta, Metrocooking DC, Producer Spotlights, Bold Rock Hard Cider Partnership, Team Beef Training Day, Burgerfest, Beef & Beer guide, Stakeholder Outreach and Resource Distribution.



Staff Update Discussion:

- Board requested Valerie come back Tuesday with figures for the highlighted programs
- Why are we attending FFF if it is only a few hundred participants?
 - While there is use for high-traffic exposure and messaging, there are also good opportunities for small events if attendee engagement is high. Valerie felt this program was within the target demographic, with high-level interest in learning more in-depth knowledge.
- What are we doing to avoid an untrained spokesperson or an attack during the sustainability panel?
 - Dr. Sara Place is a Senior Director of Sustainable Beef Production Research at NCBA. In addition to her new role with NCBA, she has been vetted with NY beef council and received high recommendations for her ability to navigate the plethora of consumer questions and convey her expertise in easy to digest pieces. The other panel members will be selected by the FFF event, instead of VBIC, to maintain consumer trust in the validity of the discussion, but a list of those speakers will be presented to VBIC prior to the event.
- Why did Valerie feel Metrocooking was not a program to continue in FY18?
 - Although the event attracted a lot of people within our target demographic, engagement seemed lower than at other large-scale events we have attended in the past.

Financial Review: Teresa Volk

Teresa reviews the financial statements from FY17 to date with the board. This was a unique year:

- Taylor Fix transitioned from full-time to part-time, and then from part-time to almost 0% (she still processes Checkoff checks bi-weekly).
- Higher salaries for staff were budgeted for FY17 due to the possibility of the overtime law to take effect on January 1, 2017.
- Because it did not go into effect, and because staffing changed, admin and salary costs will be lower than anticipated. The programs area is expected to go slightly over-budget, but the overall budget will remain under budget.

A savings account was created last year at a new bank to account for FDIC insurance regulations. During the annual audit by Cherry Behkart, we were dinged for going over the \$250,000 threshold for a few days. The savings account alleviates that issue. The savings account currently has \$50,000, which has accumulated over the years due to understaffing.



Financial Discussion

- Concerns were raised that the beef council is obligated to make the best, strategic use of those funds, and not to allow them to accumulate in a savings account.
- Other concerns were raised that a savings account may be necessary as a continuance or contingency fund to carry out programs or close business if something unexpected arose
- Teresa reminded the board there is a money market account for around \$200,000 that previous board's had earmarked for a Continuance Plan.
- Board member suggested that these funds be considered for use if the right opportunity arises, or to look for an opportunity to make use of these.

Grants Discussion:

Mark reviewed the June Board meeting discussion, led by Todd Johnson of Federation services, about how to more effectively receive grant proposals. Todd suggested:

- The board develop a specific line item for grant monies so that staff can plan programs accordingly on their own budget line
- To come up with specific tactics, research areas, or topics that they would like to fund, and communicate that to the public instead of waiting for ideas to come to the board that may or may not align well with the marketing plan.

The question was raised that soliciting for specific grants may attract less quality than having someone deliver a grant unsolicited that the grant proposer feels passionately about.

Conversely, it was suggested that people with good ideas may try to fit a "round peg into a square hole" if they have an idea that doesn't work well with the marketing plan, but tries to draw correlations with VBIC priority areas that may not be entirely true.

It was asked how grants are advertised to the public. Currently, the opportunity is listed on the website, but no formal messaging or advertising exists. In the past, emails have been sent to extension agents and certain universities, but staff did not want to be "picking" who received the information about opportunities. Melissa Ball suggested reaching out to VDACS for university contacts, to expand beyond VT. One board member said he would like to see more proposals than we have the budget for, to be able to select the best programs for each priority.

TUESDAY, SEPTEMBER 12

Attendance: Bobby Combs, Melissa Ball, Bill McDonald, Jason Carter, Andy Smith, Jerry Gustin, Mark Gwin, JS Staley, Cecelia Moyer, Chas Potter, Hank Maxey, Mike



Carpenter, Lawson Roberts, Shirley Powell, Mark Sowers, Teresa Volk, Valerie Rasmussen

Absent: Craig Miller, David Coleman, Dave Gerrard

Welcome back: Mark Gwin

Marketing Plan Review: The board was asked to review the current marketing plan and make any necessary adjustments to better align with the 2016-2020 Long Range Plan. We reviewed the LRP planner workbook and what the board had previously voted to be the most important areas of focus.

Mission Statement Voting

Motion: to adopt new mission statement “enhancing consumer preference for beef to strengthen Virginia families” – Cecelia Moyer Seconded – Jerry Gustin

Approved

Staff Update Follow Up: Valerie Rasmussen

Valerie updated the board with costs of highlighted programs that was presented Monday. The board would like to see some kind of grading rubric that allows them to compare programs apples to apples, the way they evaluate grant proposals. This sheet should include staff planning and execution time, impressions, how much money on sponsorship fee and products, cost of travel, attendance, and thoughts from staff on worthiness of program. Valerie agreed to draft a template and send it with meeting minutes.

Outside Proposals

Presentations were given for Ag in the Classroom, Youth Cattle Working Contest, Loudon County Beef and Beer Event, and Sussex County School Beef Lessons. Additionally, Jason updated the board about the Campbell County grant proposal that was reviewed in June. A presentation was also made to update the board about the BQA innovative contract FY17 progress and propose the renewal of the contract for FY18. NEBPI submitted a mailed proposal for an innovative contract.

Voting: Outside Proposals

1. Ag in the Classroom: What’s Growing on in Virginia?

Comments/Discussion: none

Motion: Jerry Gustin moved to approve

Seconded: Lawson Roberts seconded

Approved (\$9,000)

2. Youth Cattle Working Contest

Comments/Discussion: The board would like Dr. Wilson to consider requiring the online MBA modules for participants.



Motion: JS Staley moved to approve

Seconded: Mark Sowers seconded

Approved (\$2,000)

3. Loudon County Beef & Beer Event

Comments/Discussion: All seem in agreement that this is a strong program. Do we want to spend money on tables and chairs? Will the other breweries really buy into the program if their beer isn't featured? Are we setting a precedent for future funding requests? How can we support this without becoming a cash-cow for future similar events?

Motion: JS Staley moved to approve up to \$1,000 for staff time/travel and VBIC printed materials for this event.

Seconded: Jerry Gustin seconded

Approved (\$1,000)

4. Sussex County High School Beef Breakdown

Comments/Discussion: Ms. Ewald said she would be able to do the full breakdown with her classes in both semesters only if she had two beef quarters instead of one. The board wanted to double her requested budget to ensure each student remembered the breakdown session when they were learning the cooking section. Board would like to see a report of pre- and post- survey results of what students learned, as well as to find out if VBIC staffer can attend and video the event. The board would like to ensure a positive eating experience, and so asked that staff discuss with Ms. Ewald purchasing a choice-graded beef quarter.

Motion: JS Staley moves to fund \$1,500 for one quarter of beef to be used in the fall semester and one quarter of beef to be used in the second semester.

Seconded: Hank Maxey seconded

Approved (\$1,500)

5. Campbell County Direct Sale Workshop

Comments/Discussion: Concern over multiple species being present, as well as an unknown number of attendees. The board requested that Valerie ship beef choices infographic to Alyssa.

Motion: Lawson Roberts moves to fund \$500 towards this program, with a report for how many producers were in attendance and what species the producers represented.

Seconded: Andy Smith seconded

Approved (\$500)

Voting: Innovative Contracts

1. BQA Coordinator

Comments/Discussion: Is VBIC comfortable taking the responsibility of the whole BQA program? Should extension still be supporting this? How can we get consumer messaging to be part of it? What specific



measurable were offered for the FY18 plans? The board would like a more detailed review of what is being done with the funding, such as the number of meetings, how many attended the meetings, etc. They'd like a database of attendees, broken out by region, to insure BQA coordinator is reaching underserved areas.

Motion: Chas Potter moves to fund the first \$20,000, and ask that Taylor come back to February meeting with a progress report and request the second \$20,000.

Seconded: Jerry Gustin seconded

Approved (\$20,000)

2. Northeast Beef Promotion Initiative

Comments/Discussion: The board likes the work of NEBPI, but would like to choose from a list of events to select the ones that match most closely with VBIC's priority areas.

Motion: Hank Maxey moved to approve \$10,000 but with the caveat that NEBPI allow the board to select from a list of activities to allocate those funds to directly.

Seconded: Mark Sowers seconded

Approved (\$10,000)

Approval of Marketing Plan Fiscal Year 2018

Discussion: Target audience was deemed relevant. Mission statement was changed to reflect recent vote. Beef's Safety was absorbed into Health and Nutrition to create a new priority area of Health, Nutrition, and Safety. Beef's image took on some new wording from the Long Range Plan. A section was added to the Implementation section to acknowledge the federation support and other local, state, and national partnerships and alignments with national goals.

Motion: Andy Smith moved to adopt Marketing Plan with aforementioned changes.

Second: Lawson Roberts seconded

Approved

Budget Fiscal Year 2018

The budget was discussed and voted on collectively as a board.

Voting: Federation Seat

Comments/Discussion: Cost decreased by \$3,000 due to lower cattle numbers in Virginia. That money, or any amount, can be dedicated to federation services general fund or earmarked for specific projects like USMEF (US Meat Exports Federation) if the board desires.

Motion: JS Staley moves to approve \$17,000 to fund one Federation Seat.

Seconded: Andy Smith

Approved



Voting: Resource Management

Comments/Discussion: Online system seems to be working well. This covers any Checkoff material including pot holders, infographics, brochures, etc. Digital resources are shared when possible. VCA receives \$1000 to use on redbooks and producer communications.

Motion: Mark Sowers moves to fund \$5,000 for resource management.

Seconded: JS Staley

Approved

Voting: Board & Stakeholder

Comments/Discussion: This fund supports board meetings, travel to director orientations and national convention, compliance ads in the cattlemen's paper, and any producer events staff attend to promote Checkoff work. It was asked if we needed the full amount, and staff said they could operate within \$35,000 instead.

Motion: JS moves to approve \$35,000 towards Board and Stakeholder programs

Seconded: Hank Maxey

Approved

Voting: Administrative Costs/Other Staff

Comments/Discussion: It is confusing to determine true cost when program staff is separated out, but other staff are lumped in with admin costs. Teresa was asked to break out her and Jason's portion of the lump sum.

Motion: Hank Maxey moves to create separate line items, with \$70,000 in administrative costs and \$40,000 in other staff cost.

Seconded: JS Staley

Approved

Voting: Grants

Comments/Discussion: It was agreed it would be helpful to have a separate line for grant money. There would also be a staff programs budget, and all remaining funds would go into a third line item, to be drawn from for future grant proposal or future staff proposals.

Motion: Lawson Roberts moves to approve \$44,000 for outside grant proposals.

Seconded: Cecelia Moyer

Approved

Voting: Planned Staff Programs and Restricted Revenue

Comments/Discussion: Based on money leftover in budget, Valerie could potentially have 93,000 to work on staff programs. Valerie pointed out that she worked in roughly the same budget for the entire FY17, and didn't need that amount for the



time between October 1 fiscal year start date, and the February meeting where she would come with program proposals.

Motion: Lawson Roberts moves to fund \$65,000 in Planned Staff Programs, and retain \$28,000 as Restricted Revenue for the board to allocate at future board meetings.

Seconded: Chas Potter

Approved

Putting it All Together/Moving Forward

Valerie will submit thorough minutes, a copy of the approved budget worksheet, the new marketing plan, and a draft template for project measurement in an email within the week. She will submit project updates in quarterly e-newsletters. She will come to February's meeting with proposals for future programs and projects.

Teresa will compile a more detailed financial report and distribute to the entire board prior to every board meeting.

Jason will submit Andy, Jerry, and Lawson for reappointment onto the board and alert Todd Johnson of VBIC's intention to fund a Federation seat.

Public Comment:

None

Adjourned.

Respectfully submitted,

Valerie Rasmussen