

MONTANA WHEAT AND BARLEY COMMITTEE

Annual Budget Meeting

Heritage Inn

Great Falls, Montana

November 26-27, 2018

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

DIRECTORS

Randy Hinebauch, Chairman
Alan Klempel, Vice Chairman
Charlie Bumgarner, Director
Chris Kolstad, Director

Denise Conover, Director
Adam Carney, Director
Mike O'Hara, Director

EX-OFFICIOS

Ben Thomas, Director, Montana Department of Agriculture
Anton Bekkerman for Dr. Charles Boyer, Vice President of Agriculture, MSU

STAFF

Collin Watters, Executive Vice President
Cassidy Marn, Marketing Program Manager
Kolleen Spurgin, Budget & Grants Coordinator
Tammy Suek, Administrative Assistant

GUESTS

Cort Jensen, Staff Attorney, Department of Agriculture
Kim Mangold, Deputy Director, Department of Agriculture
Mitch Konen, Secretary, MT Grain Growers
Lyle Benjamin, Vice President, MT Grain Growers
Lochiel Edwards, Director, Montana Grains Foundation
Chris Christiaens, Program Specialist, MT Farmers Union
Bruce Myllymaki, Producer
Vince Mattson, Treasurer, MT Grain Growers
Leonard Schock, Producer
Cindy Trimp, Administrator, Department of Agriculture
Greg Stordahl, State Grain Lab

Monday, November 26, 2018:

Chairman Hinebauch called the meeting to order at 8:00 a.m. Introductions were made around the room.

Director O'Hara moved and Director Kolstad seconded the motion to approve the tentative agenda. The motion passed unanimously.

Chairman Hinebauch asked for public comment and heard none.

Review of October 3, 2018 Meeting Minutes

Chairman Hinebauch presented the minutes of the Fall Board Meeting.

Director O'Hara moved, and Director Conover seconded the motion to approve the minutes. The motion passed unanimously.

Montana Department of Agriculture

Deputy Director Mangold let the committee know that hemp is taking up a lot of the department's time with predicted acres of over 60,000. Legislature begins in January and there are a few bills the department will be bringing forth, Growth in Ag is at a sunset and they will be asking for a renewal. Potential bills include commodity dealer bonding changes, milk and hemp.

Board Orientation Review

Cort Jensen reminded the directors about lobbying and other issues that they need to be aware of during the legislature session.

National Barley Growers

EV President Watters and former director Buzz Mattelin attended the NBGA strategic planning meeting in Minneapolis. The NBGA board will discuss the plan at the winter meeting in Washington, DC.

Wheat Marketing Center Board Meeting

Chairman Hinebauch went to the meeting in Portland. They were introduced to Dr. Jayne Bock, the new Technical Director at the center. There was an audit done and it was very good. The Wheat Marketing Center is a good value to Montana producers.

Mexican Craft Brewers Convention

Director O'Hara, EV President Watters, Director of Ag Thomas and Lt. Governor Cooney attended the convention along with several meetings with different breweries.

Break

Financial Update

Kolleen Spurgin went over the latest reports with the help of Cindy Trimp, she stated that they are looking at different ways to present information to the committee.

U.S. Wheat Associates Fall Board Meeting

Director Kolstad, Klempel and EV President Watters attended the meeting in Tampa, Director Kolstad talked about the Farm Bill and how USWA is revamping where and how long their meetings will be in the future.

Director Klempel sat in on the presentation on the Round-up lawsuit situation and also the variety export expectations. EV President Watters attended the transportation meeting.

Northern Crops Institute Board Meeting

Director Hinebauch traveled to Fargo for the meeting. They met some of the new employees at NCI, there has been a 60% turnover rate. Director Carney will take over for Director Hinebauch when his term expires.

Program Manager Report

Cassidy Marn updated the directors on the trade teams we hosted this season. She accompanied the group to Portland for the Producer Tour and thought the smaller group of 6 worked well.

Executive Vice President's Update

EV President Watters was asked to attend the Western Canadian Wheat Growers for US Wheat and made a presentation. He let the directors know that we are looking for a new office space for when our lease is up at the end of 2019.

There was a discussion on the assessment and Montana Grain Growers may ask the legislature to increase the maximum assessment for both wheat and barley. The Committee is at the maximum and would be unable to increase the assessment.

Approval of Staff and Director Travel

A few items were added to the upcoming travel (see below) for approval. There is a USWA board trip in March the dates have not been set, Al Klempel will be going on that.

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

Upcoming Events

Nov. 27-29	MGGA Convention – Great Falls
Dec. 3-6	MT Seed Trade Meeting – Bozeman
Dec. 6-8	MT Organic Association Conference – Great Falls
Dec. 17-19	IGP-KSU Flour Milling – Manhattan, KS
Dec. 25	Christmas Day – Office Closed
Jan. 8-9	Sugar Beet & Malt Barley Conference - Billings
Jan. 9-10	National Barley Improvement Conference – Albuquerque, NM
Jan. 15-17	Wheat Foods Council Meeting – New Orleans, LA
Jan. 16-19	Young Ag Couples – Helena
Jan. 21	MLK Day – Office Closed
Jan. 22	Variety Release Meeting – Bozeman
Jan. 23-25	MABA/MGEA Convention – Great Falls
Jan. 30-Feb. 1	PNW Wheat Quality Council Meeting – Portland, OR
Feb. 2-3	Craft Brewers - Bozeman
Feb. 5-8	National Barley Winter Board Meeting – Washington DC
Feb. 11-16	USWA Meeting – Washington DC
Feb. 11-13	USGC Meeting – Colombia
Feb. 19-21	Wheat Quality Council Conference – Kansas City, MO
Feb. 26-Mar.1	WMC Producer Tour – Portland, OR
Mar. 27-29	Wheat Marketing Center Board Meeting – Portland, OR
Apr. 7-10	USGC World Staff Meeting – Vancouver, Canada

New Business

The next meeting will be in Bozeman on March 14 & 15, 2019.

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Montana State University Update

Dr. Bekkerman came to our meeting as the interim head of the Department, the new Vice President Sreekala Bajwa will start her position January 14th.

Lunch

Budgeting

The committee began discussions about applications.

Chairman Hinebauch postponed the meeting until the next day at 8:00am.

Tuesday, November 27, 2018

Chairman Hinebauch called the meeting to order at 8:00 a.m.

Budgeting

The committee continued discussion of applications.

Final Budgeting Numbers (See Attached)

Director Conover moved that the budget total of \$4,346,613 be approved,
Director Carney seconded. The motion passed unanimously.

Chairman Hinebauch called for public comment:

Greg Stordahl from the State Grain lab gave an update and let the committee know that this year they were asking for money from the pulse committee.

Chris Christiaens invited everyone interested to the Hemp meeting being held in Great Falls.

Chairman Hinebauch adjourned the meeting at 10:45 a.m.

Collin Watters, Executive Vice President

Date

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MONTANA WHEAT & BARLEY COMMITTEE - CALENDAR YEAR 2019 BUDGET		
RESEARCH		49% 2,126,078
MONTANA STATE UNIVERSITY		
IPM OF WHEAT STEM SAWFLY AND OTHER INSECT PESTS OF WHEAT	WEAVER	\$278,000
ASSESSING AGRONOMIC PRACTICES TO ADVANCE CEREAL PRODUCTION IN MONTANA	MAES	\$210,000
IDENTIFYING & DEVELOPING IMPROVED BARLEY VARIETIES FOR MONTANA	SHERMAN	\$159,780
GENETICALLY IMPROVED WINTER WHEAT CULTIVARS FOR MT	BRUCKNER	\$150,000
SPRING WHEAT BREEDING AND GENETICS	TALBERT	\$140,000
BUILDING GENOMICS FOUNDATION TO ACCELERATE MT WHEAT/BARLEY IMPROVEMENT	BUDAK	\$120,000
DURUM VARIETAL IMPROVEMENT & QUALITY TESTING	GIROUX	\$96,848
ADVANCE DISEASE RESISTANCE IN MONTANA'S WHEAT	A. DYER	\$92,475
EVAL. OF THE EFFECTIVENESS OF ENTOMOPATHOGENS (FUNGUS & NEMATODES) & TRAP CROPS FOR MGMT OF WIREWORMS ON SPRING WHEAT	REDDY	\$90,000
IMPROVED WINTER BARLEY VARIETIES FOR MONTANA	SHERMAN	\$64,000
STRATEGIC INVESTMENT IN SARC FOR SMALL GRAINS RESEARCH IN SOUTH CENTRAL MONTANA	KEPHART	\$60,000
MOLECULAR BREEDING PIPELINE FOR WHEAT	COOK	\$60,000
INVESTIGATING ROOT GROWTH IN STAY-GREEN & LOW PROTEIN WHEAT AND BARLEY PARENTS	BAURGALT	\$57,070
ASSESSMENT & MANAGEMENT OF PREHARVEST SPROUT & FALLING NUMBERS IN MT SMALL GRAINS	GIROUX	\$54,000
DROUGHT AND GRAIN PROTEIN CONCENTRATION	FISCHER	\$48,800
WHEAT MIDGE MANAGEMENT	REDDY	\$48,440
IMPROVED QUALITY OF MONTANA HARD RED AND HARD WHITE WHEATS	NASH	\$45,750
HERBICIDE EFFECTIVENESS AND RESISTANCE IN ACIDIFIED SOILS	W. DYER	\$32,712
IMPROVING YIELD STABILITY TO CLIMATE STRESS IN WHEAT	LACHOWIEC	\$31,500
MAPPING NUTRIENT DEFICIENCY, WATER STRESS & TOXICITY W/DRONE OBSERVATIONS TO IMPROVE FERTILIZER EFFICIENCY & MGMT	POWELL	\$30,339
IMPROVING YIELD & NITROGEN USE EFFICIENCY OF SPRING WHEAT, DURUM & BARLEY BY VARIETY SELECTION	CHEN	\$30,000
MALT QUALITY ANALYSIS OF BARLEY OFF-STATION NURSERY ACROSS ENVIRONMENTS TO EMPOWER GROWER DECISIONS	SHERMAN	\$26,716
WHEAT STREAK MOSIAC VIRUS VARIETY TRIALS	BURROWS	\$25,925
WHEAT AND BARLEY VARIETY SURVEY	FULLER	\$15,000
INVESTIGATING THE EFFECTS OF FALL-PLANTED BROADLEAF CROP OPTIONS ON WINTER WHEAT IN NORTH CENTAL MT	BAURGALT	\$14,130
EFFECT OF PLANTING DATE & MATURITY ON DISEASE INCIDENCE AND SEVERITY OF DURUM	CRUTCHER	\$13,220
SOIL CARBON ACCRUAL IN PROGRESSIVE MT CROP ROTATIONS	MILLER	\$13,000
INTEGRATED WEED MGMT IN CEREALS: CONFRONTING CHALLENGES OF HERBICIDE RESISTANCE/CARRYOVER & ACIDIC SOIL	SEIPEL	\$12,873
MSU CELEBRATE AG!! WEEKEND 2019	FRASER	\$4,000
MONTANA AG LIVE!	DECKER	\$3,500
ADDITIONAL SPECIAL PROJECT FUNDING FROM DECLINED RESEARCH		\$83,000
WBC UNANTICIPATED SPECIAL PROJECT FUNDING - RESEARCH		\$15,000
MARKET DEVELOPMENT		25% 1,072,340
U.S. WHEAT ASSOCIATES, INC.		
BOARD MEMBER ASSESSMENT		638,650
SPECIAL PROJECTS, TECHNICAL MEETINGS & TRADE TEAM ACTIVITIES		30,000
ADDITIONAL SPECIAL PROJECT FUNDING DUE TO CY19 MEMBERSHIP ADJUSTMENT (APPROVED BY MWBC DIRECTORS)		20,300
U.S. GRAINS COUNCIL		
BOARD MEMBER ASSESSMENT		73,500
SPECIAL PROJECTS & TRADE TEAM ACTIVITIES		10,000
WHEAT FOODS COUNCIL		
BOARD MEMBER ASSESSMENT		81,524
NORTHERN CROPS INSTITUTE		
GENERAL OPERATING SUPPORT		20,000
NATIONAL PASTA ASSOCIATION		
BOARD MEMBER ASSESSMENT		3,100
NORTH DAKOTA STATE UNIVERSITY		
2019 HARD RED SPRING AND DURUM QUALITY SURVEY & COLLECTION EXPENSES		22,500
2019 MONTANA BARLEY CROP QUALITY SURVEY AND REPORT		12,000
WHEAT MARKETING CENTER		
IMPROVING THE COMPETITIVE EDGE OF MONTANA WHEAT/GENERAL SUPPORT		80,000
MONTANA WHEAT EXPORT TOUR & WHEAT QUALITY WORKSHOPS		24,000
CONNECTING WHEAT PROFESSIONALS		10,000
WHEAT QUALITY COUNCIL		
WHEAT QUALITY ENHANCEMENT AND COMPARISON		4,000
PLAINS GRAINS INC		
2019 HRW WHEAT QUALITY SURVEY		11,766
MWBC PROCUREMENT RFP/MARKETING WHEAT & BARLEY CONSULTANT		
TWEET CONSULTING, LLC		16,000
WBC UNANTICIPATED SPECIAL PROJECT FUNDING - MARKETING		15,000

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EDUCATION AND INFORMATION		5%	224,000
MONTANA GRAIN GROWERS ASSOCIATION			
ADVANCING THE MONTANA WHEAT INDUSTRY: ENERGY, ENVIRONMENT & CONSERVATION ACTIVITIES; WHEAT INNOVATION; PUBLIC PROMOTION & COLLABORATION AND COMPETITIVE TRANSPORTATION & TRADE			143,000
MONTANA GRAIN GROWERS ASSOCIATION			
ADVANCING THE MONTANA BARLEY INDUSTRY: ENHANCING THE PROFITABILITY OF THE BARLEY INDUSTRY			28,500
			1,500
MONTANA FUTURE FARMERS OF AMERICA FOUNDATION			
GENERAL SUPPORT			10,000
MONTANA DEPARTMENT OF AGRICULTURE			
YOUNG AG COUPLES CONFERENCE			5,000
MONTANA FARM BUREAU FEDERATION			
YOUNG AG LEADERSHIP CONFERENCE			5,000
MSU EXTENSION			
"REAL MONTANA" - RESOURCE EDUCATION & AG LEADERSHIP			5,000
MWBC PROCUREMENT RFP/MEDIA OUTREACH THROUGHOUT MONTANA			
BANIK COMMUNICATIONS			5,000
MEDIA OUTREACH THROUGHOUT MONTANA			6,000
WBC UNANTICIPATED SPECIAL PROJECT FUNDING - EDUCATION			15,000
TRANSPORTATION		2%	78,602
MONTANA DEPARTMENT OF AGRICULTURE			
CY19 RAIL ADVOCACY AND INFORMATION			45,602
NORTH DAKOTA STATE UNIVERSITY/UPPER GREAT PLAINS TRANSPORTATION INSTITUTE			
MONTANA WHEAT & BARLEY TRANSPORTATION ANALYSIS			18,000
WBC UNANTICIPATED SPECIAL PROJECT FUNDING - TRANSPORTATION			15,000
OPERATIONS		19%	845,593
EMPLOYEE SALARIES AND BENEFITS			412,039
CENTRALIZED SERVICES INDIRECT CHARGES			133,554
TRAVEL			110,000
MISCELLANEOUS EXPENSES			45,000
RENT			35,000
SUPPLIES AND MATERIALS			30,000
MISCELLANEOUS CONTRACTED SERVICES			25,000
COMMITTEE PER DIEM			15,000
COMMUNICATIONS			10,000
REPAIR AND MAINTENANCE			5,000
MWBC SPONSORSHIPS FOR CALENDAR YEAR 2019			25,000
TOTAL CALENDAR YEAR 2019 BUDGET			\$4,346,613
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