

**SOUTH DAKOTA WHEAT COMMISSION MEETING**  
**2301 Research Park Way Brookings, SD**  
**June 20, 2024**

**Minutes**

**Present:**

SDWC: Tregg Cronin, Terry Hand, Jamie Johnson, Bryan Jorgensen, Leon Koepp, Jon Kleinjan, Reid Christopherson (retired)

SDWGA: Caren Assman, Paul Hetland, Steve Rumpza, Doug Simons

Others: John Blanton (SDSU), Justin Gilpin (Kansas Wheat), Dalton Henry (US Wheat Associates), Tim O'Connor (Wheat Foods Council), David Wright (SDSU), Michael Schelling (Dakota CPA)

**Call to order:**

**Chairman Jorgensen called the meeting to order at 1:00 pm.**

**Approval of Agenda:**

Kleinjan suggested the addition of 1) a trip to Fargo for an HRS wheat worker's meeting under travel and 2) approval of the engagement letter from Eide Bailly for an audit to the agenda.

**Cronin moved to approve the agenda with changes and Johnson seconded the motion.**

**Motion approved.**

**Approval of the Minutes:**

**Cronin moved to approve the minutes from March 12, April 2, and April 22 meetings. Koepp seconded the motion. Motion approved.**

**Public Comment:**

No comments.

**Production Forecast:**

The current USDA numbers were discussed; HRW: 780K harvested acres at 54 bu/acre; HRS: 850K acres planted.

**Organization Reports:**

**1. South Dakota Wheat Growers Association**

Assman reported on the following activities:

- Media exposure
- Farm Bill updates
- Legislative update
- Rotate into profits
- Ag Horizons (Dec 3-4, 2024)
- Farm Bill Fly-in (Jan 13-15, 2025)
- Grassroots advocacy campaign

- New website up: sdwga.org
- 2. South Dakota Dept. of Agriculture and Natural Resources**  
Kleinjan reported on behalf of the DANR staff with the following discussion points:
    - Governor’s Ag Summit
    - Changes in state travel, lodging, and per diem rates
  - 3. South Dakota State University**  
Blanton and Wright commented on the following:
    - Retirements
    - Potential new staff hires

**Staff Reports:**

Kleinjan reported on the following activities with discussion taking place:

- Commissioner terms expiring – Terry Hand, October 30, 2024.
- First Bank & Trust checking account now active, Bankwest account will be closed at the end of 2024.
- New website.
- Audit is tentatively scheduled for the week of July 29<sup>th</sup>. **Hand made and Johnson seconded a motion to approve the engagement letter from Eide Bailly. Motion passed.**
- ‘Eatwheat’ proposal from Kansas Wheat (Gilpin contributed to the discussion). **Cronin made and Koepp seconded a motion to contribute \$10,000 for SD to participate. Motion approved.**
- ‘Guiding principles’ strategic planning meetings (Gilpin contributed to the discussion). **Johnson made and Hand seconded a motion to contribute \$1,750 for SD to participate. Motion approved.**

Henry gave a brief update on the activities of US Wheat Associates.

O’Connor gave a brief update on the activities of the Wheat Foods Council.

**Market Development:**

**1. US Wheat Associates**

Kleinjan and Christopherson reported on the following activities at US Wheat with discussion taking place:

- World Staff Conference – May 22-25, Malta
- Summer meeting in Oklahoma City, July 10-11, Kleinjan plans to attend

**2. Northern Crops Institute**

Kleinjan, Christopherson and Koepp reported on the following activities at NCI with discussion taking place:

- Budget/restructuring meeting, April 19, 2024
- Grand opening of the Peltier complex, June 12, 2024

**3. US Wheat and Barley Scab Initiative**

Jorgensen reported on the following activities of the USW&BSI with discussion taking place.

- Funding cuts

- Fall meeting in Austin, TX December 8-10, Jorgensen and Kleinjan plan to attend

#### **4. Wheat Foods Council**

Kleinjan and Christopherson reported on the following activities of the WFC with discussion taking place:

- Summer meeting in Manhattan, KS, June 4-6

#### **5. Wheat Quality Council**

Kleinjan reported on the following activities of the WQC with discussion taking place:

- HRS tour, North Dakota, Kleinjan plans to attend

### **Financial Reports**

(Schelling joined via Zoom teleconference) Schelling walked through the FY24 financials through the end of May and gave a projected year-end account balances. **Cronin moved to approve the financial statements as presented and Koeppse seconded the motion. Motion approved.**

Kleinjan presented the FY25 Dakota CPA engagement letter. **Hand moved to accept the letter and Cronin seconded the motion. Motion approved.**

Kleinjan presented the following requests for funding and discussion followed:

- Northeast Farm Field Day Meal Sponsorship – **Johnson moved to provide sponsorship and Hand seconded the motion. Motion approved.**
- NAWG national wheat yield contest – no funding provided

### **FY25 Budget**

Kleinjan presented the proposed FY25 budget with discussion taking place.

**Koeppse moved to increase dues at US Wheat Associates to the full rate (\$277,200). Hand seconded the motion. Motion approved.**

**Cronin moved to pass the proposed FY25 budget and Johnson seconded the motion. Motion approved. The adopted FY25 budget is attached to these minutes.**

### **Board Assignments**

#### **1. Election of FY25 Officers**

**Hand moved for the election of the following slate of officers:**

- Chair – Jorgensen
- Vice Chair – Cronin
- Secretary – Koeppse
- Treasurer – Johnson

**Seconded by Koeppse. Motion approved.**

#### **2. Liaison Assignments**

- US Wheat – Cronin, Jorgensen, alternate Hand
- NCI – Koeppse



**FISCAL YEAR 2023**  
**SDWC Budget Worksheet**  
**As of April 15, 2022**

FY2024 BOD Budget	FY2025 BOD Budget
Beg Cash Balance	Draft as of 06/20/2024
<b>#VALUE!</b>	<b>\$ 1,545,955</b>

**RECEIPTS**

<b>INCOME</b>				
Checkoff Receipts	\$	1,124,392	\$	1,485,400
CCC Receipts		10,000		5,000
Interest		13,500		52,500
Refunds		(135,000)		(178,248)
Other Miscellaneous		-		
<b>Total Receipts</b>	<b>\$</b>	<b>1,012,892</b>	<b>\$</b>	<b>1,364,652</b>

**EXPENDITURES**

<b>RESEARCH</b>				
SDSU-Sponsored Research	\$	637,225	\$	678,944
MTI Culinary Academy		10,000		10,000
SDSU Foundation		-		-
SD Variety Survey		10,000		-
HRSW Quality Survey NDSU		11,695		11,695
HRWW Quality Survey PGI		6,637		6,637
Wheat Quality Council		4,000		4,000
Special Resrch/NCI flour samples		30,000		30,000
Cont. Fund/Prod.Projects		5,000		5,000
SD Value Added Ag Center		5,000		5,000
<b>Total Research</b>	<b>\$</b>	<b>719,557</b>	<b>\$</b>	<b>751,276</b>

**MARKET DEVELOPMENT**

US Wheat	\$	142,350	\$	277,200
NCI		30,000		30,000
NCI Equipment/Special Projects		50,000		-
Trade Teams		-		-
Railroad Project		-		-
State Fair 4-H Building		-		-
Wheat Marketing Center		-		-
Market Development		-		-
<b>Total Market Development</b>	<b>\$</b>	<b>222,350</b>	<b>\$</b>	<b>307,200</b>

**FISCAL YEAR 2023**  
**SDWC Budget Worksheet**  
**As of April 15, 2022**

FY2024 BOD Budget	FY2025 BOD Budget
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**INFO., EDUCATION & PROMOTION**

Wheat Foods Council	\$ 28,357	\$ 26,893
Web Site Dev & Maint.	1,000	350
Consulting	5,000	-
McCracken Consulting	11,400	11,400
Printing	2,500	2,500
Postage	2,000	1,200
Media	1,000	1,000
Dakota Farm Talk	6,600	6,600
Promotional Items/Activities	30,000	30,000
State Fair	2,340	2,340
SD Ag Leadership	1,000	2,500
FFA/4H	1,125	1,125
McFadden Symposium	10,000	10,000
Scholarships	18,275	15,975
Professional Development	-	-
Ag Experience/Educational Centers	-	-
EatWheat	-	10,000
Home Baking Assoc	2,500	2,600
<b>Total Info, Education &amp; Promotion</b>	<b>\$ 123,097</b>	<b>\$ 124,483</b>

**POLICY AND GOVERNMENT AFFAIRS**

Transportation/Whiteside	\$ -	\$ -
NAWG	-	-
Ed Grant - SDWGA/NAWG	96,000	108,000
Regional Wheat Meetings	-	-
Contract Labor	-	-
<b>Total Policy and Government Affairs</b>	<b>\$ 96,000</b>	<b>\$ 108,000</b>

**GENERAL OPERATIONS**

Computer	\$ 5,000	\$ -
Office Rent - Pierre	20,000	-
Office Rent - Brookings 1	8,100	12,594
Office Rent - Brookings 2	-	3,516
Storage Rent	-	840
Utilities - Pierre	7,000	300
Telephone - office	2,300	612
Telephone - mobile	-	1,500
Supplies	2,500	2,500
Equipment	2,000	2,000
Subscriptions (software)	1,000	500
Membership Dues	600	-
Accounting	21,800	16,000
Legal Expenses	-	-
Audit Expenses	13,500	13,000
Surety Bond	100	225
PUC Elevator Inspection	2,400	3,100
State Expenses	6,700	10,000
Bank Charges	-	-
<b>Total General Operations</b>	<b>\$ 93,000</b>	<b>\$ 66,687</b>

**FISCAL YEAR 2023  
SDWC Budget Worksheet  
As of April 15, 2022**

	FY2024 BOD Budget	FY2025 BOD Budget
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**TRAVEL**

Air Travel	\$ 17,250	\$ 15,000
Mileage	17,250	6,000
Meals	9,200	10,000
Lodging	18,400	15,000
Registrations	3,450	4,000
State Vehicle Lease	10,000	7,500
Incidentals	2,300	2,300
<b>Total Travel</b>	<b>\$ 77,850</b>	<b>\$ 59,800</b>

**PERSONNEL SERVICES**

Exec. Dir.	\$ 100,429	\$ 104,000
Incoming Exec. Dir.	\$ 52,000	\$ -
Exec. Dir. Retirement Payout	30,000	-
Accountant/Office Mngr.	5,000	-
Commissioner Per Diem	8,000	9,000
Longevity	100	400
<b>Total Personnel Services</b>	<b>\$ 195,529</b>	<b>\$ 113,400</b>

**EMPLOYEE BENEFITS**

Payroll taxes	\$ 19,323	\$ 8,675
Retirement	14,675	6,264
Insurance/Health	27,825	8,040
<b>Total Employee Benefits</b>	<b>\$ 61,823</b>	<b>\$ 22,979</b>

**SUMMARY**

	FY24	FY25
<b>Total Expenditures</b>	<b>\$ 1,589,206</b>	<b>\$ 1,553,825</b>
<b>Excess/Deficit</b>	<b>\$ (576,314)</b>	<b>\$ (189,173)</b>
<b>Ending Cash Balance</b>	<b>#VALUE!</b>	<b>\$ 1,356,782</b>

**FY25 Budget Estimates**

**Estimated 2024 SD Wheat Production and FY25 Receipts**

**FY25 BOD**

**Winter Wheat**

<b>NASS Est.</b>	Planted Acres	870,000						
	Harvested Acres	780,000	acres X	54	bu/ac	=		42,120,000

**Spring Wheat**

<b>Estimate</b>	Planted Acres	800,000						
	Harvested Acres	720,000	acres X	45	bu/ac	=		32,400,000

**Storage**

		90%						
			bushels stored X	50%		=		-
	32,300,000							

<b>Total Bushels</b>	<b><u>74,520,000</u></b>
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Avg \$/Bushel	\$ 5.00	@ .4%	\$ 0.020	\$	<u>1,490,400</u>
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<b>Receipts</b>	<b><u><u>\$ 1,490,400</u></u></b>
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**HRS statewide 10 year average - 42.3**  
**HRW statewide 10 year average - 47.0**