

SOUTH DAKOTA WHEAT COMMISSION MEETING

June 22, 2023

Minutes

Present: Commissioners: Bryan Jorgensen, SDWC
Terry Hand, SDWC
Tregg Cronin, SDWC
Leon Koeppe, SDWC

Staff: Reid Christopherson, SDWC
Caren Assman, SDWGA

1. Call to Order:

Chairman Jorgensen called the meeting to order at 09:38 a.m.

2. Approval of Agenda

Commissioner Koeppe moved to approve the agenda. Seconded by Commissioner Cronin.
Motion Approved.

3. Approval of Minutes

Commissioner Cronin moved to approve the May 26, 2023 Minutes, seconded by Commissioner Koeppe. Motion Approved.

4. Public Comment Period

No comments.

5. Production Forecasts

Assman and the Commissioners provided updates on HRW and HRS production throughout the State of South Dakota with discussion taking place.

6. Organization Reports

a. South Dakota Wheat Growers Association

Assman reported on the following activities at SDWGA with discussion taking place:

- Legislative update
- Farm Bill update
- Wheat Yield Contest
- Ag Horizons Conference
- Wheat Stem Sawfly funding initiative

b. South Dakota State University

Christopherson reported on behalf of Dr David Wright, Head of Department of Agronomy, Horticulture and Plant Science with discussion taking place:

- Pathology Laboratories
- Staff Hires
- Retirement of Dr Bill Gibbons

c. South Dakota Department of Agriculture and Natural Resources

Christopherson reported on behalf of the DANR staff with discussion taking place:

- Governor's Ag Summit

7. Staff Reports

Christopherson reported on the following activities at SDWC with discussion taking place:

- Commissioner appointment update
- Travel reports
- Cancellation of Office Manager vacancy announcement
- Closing of Post Office Box
- New phone system
- UNL Sawfly survey

8. Market Development

a. U.S. Wheat Associates

Commissioner Koeppe and Christopherson reported on the following activities at USW with discussion taking place:

- Summer Meeting in Minneapolis – Commissioner Koeppe plans to attend

b. Northern Crops institute

Christopherson reported on the activities at NCI with discussion taking place:

- NCC Meeting
- Construction of the Peltier Complex

c. U.S. Wheat and Barley Scab Initiative

Commissioner Jorgensen reported on activities at USW&BSI with discussion taking place.

d. Wheat Foods Council

Christopherson reported on activities of the Wheat Foods Council with discussion taking place:

- Summer Meeting in Denver
- New Marketing firm and focus

e. Wheat Quality Council

Christopherson reported on activities of the Wheat Quality Council with discussion taking place:

- HRW Tour, Kansas
- HRS Tour, North Dakota

9. Administrative Matters

a. Upcoming Events

Discussion took place

b. Out of State Travel Approval

Previously approved out of state travel reviewed with discussion taking place.

c. Upcoming out of state travel with discussion taking place:

- USW Summer Meeting; July 10-14, 2023; Minneapolis MN – Koeppe
- NCI Blanket Travel Authority; Dates TBD; Fargo ND – Commissioners and Staff
- NCI Next 5 Years Conference; Sep 11, 2023; Moorhead MN – Christopherson

- HBA Membership Meeting; Oct 22-25, 2023; Sun River OR – Christopherson
- USW Fall Meeting; Nov 6-10; Cincinnati OH – Commissioners, Christopherson and Staff, McCracken
- USW&BSI; Dec 3-5, 2023; Cincinnati OH – Jorgensen
- Prairie Grains Conference; Dec 13-14, 2023; Grand Forks ND – Christopherson and Staff
- **Commissioner Cronin moved to approve travel as presented. Seconded by Commissioner Koepp. Motion approved.**

10. Board Assignments

a. Election of FY24 Officers

Commissioner Koepp moved the election of the following slate of officers:

- Chair – Commissioner Jorgensen
- Vice Chair – Commissioner Hand
- Secretary – Commissioner Koepp
- Treasurer – Commissioner Cronin

Seconded by Commissioner Cronin. Motion approved.

b. Bond for Treasurer

Commissioner Koepp moved that a surety bond be obtained for the treasurer IAW with state statute. Seconded by Commissioner Cronin. Motion approved.

c. Liaison Assignments

Commissioner Cronin moved the following organizational liaison assignments for FY24:

- USW – Commissioner Hand, Commissioner Cronin
- NCI – Commissioner Koepp
- USW&BSI – Commissioner Jorgensen
- WQC, WFC, HBA, SDVAADC – Christopherson

Seconded by Commissioner Koepp. Motion approved.

Note: Caren Assman departed at 10:35 a.m.

Note: Commissioner Hand arrived at 10:38 a.m.

Commissioner Cronin called for Executive Session pursuant to SDCL 1-25-2 for the purpose of Personnel Issues and Contract Negotiations at 11:16 a.m., seconded by Commissioner Hand. Motion approved.

Chairman Jorgensen declared the meeting out of Executive Session at 12:38 p.m.

11. Office Transition

Commissioner Cronin moved to:

- Move the office of the South Dakota Wheat Commission (SDWC) from Pierre SD to Brookings SD during FY24
- Execute lease with Research Park at SDSU for Suite 253 effective July 1, 2023

- Notify South Dakota Wheat Growers Association (SDWGA) of intent not to renew lease for current office space at expiration of lease on June 30, 2024
 - Includes termination of payment for utilities, providing WIFI, providing bottled water, participation in KOPY KAT copier services, etc.
 - A determination will be made at a later date regarding SDWC owned personal property
 - Currently leased space can be made available earlier if a new tenant is recruited with a corresponding decrease in the remaining lease cost
 - Authorization to procure contracted services to move furniture, files, and personal property
 - Authorization to purchase necessary furniture and office equipment to provide for continuity of operations in the new location
 - Authorization to manage associated changes in mail, phone, and internet services
- Seconded by Commissioner Koeppe. Motion approved.**

12. Operations Manager

Christopherson reviewed plans to hire an Operations Manager in the fall of 2023 with discussion taking place. Motion by Commissioner Hand to authorize the hire. Seconded by Commissioner Cronin. Motion adopted.

13. Financial Reports

Christopherson presented the Financial Report provided by Dakota CPA through June 15, 2023 with discussion taking place. Motion by Commissioner Koeppe to approved the report. Seconded by Commissioner Hand. Motion approved.

14. FY24 Budget

Christopherson presented the Proposed FY24 Budget with discussion taking place. Motion by Commissioner Cronin to approve the budget. Second by Commissioner Koeppe. Motion approved. Adopted budget is attached to these minutes.

15. Commission Meeting Date

The next meeting is tentatively scheduled for September 7, 2023 in Brookings SD.

16. Adjournment

Commissioner Koeppe moved to adjourn at 12:50 p.m., seconded by Commissioner Hand. Meeting adjourned.

Terry Hand, Secretary

Date

Reid A. Christopherson, Executive Director

Date

Atch SDWC FY24 Budget

FY24 South Dakota Wheat Check-Off Income Potential						
Crop Acres	BPA	Bushels	\$/BU	Gross \$	Check-Off	Income
HRW						
650,000	35	22,750,000				
HRS						
650,000	30	19,500,000				
		42,250,000	8	338,000,000	0.004	1,352,000

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

	FY2023		FY2024	
	Budget	Est Actual Beg Cash Balance	BOD Budget Beg Cash Balance	
		\$ 1,068,229	\$ 1,604,924	
	RECEIPTS			
INCOME				
Checkoff Receipts	\$ 1,554,732	\$ 2,103,055	\$ 1,352,000	
CCC Receipts	10,000	5,286	10,000	
Interest	13,500	8,250	13,500	
Other Miscellaneous	-	-	-	
Total Receipts	\$ 1,578,232	\$ 2,116,591	\$ 1,375,500	
	EXPENDITURES			
RESEARCH				
SDSU-Sponsored Research	\$ 584,921	\$ 584,921	\$ 637,225	Sponsored Research Agreement
SDSU Pathology Support	-	-	-	
MTI Culinary Academy	10,000	10,000	10,000	
Systems Group	-	-	-	
SDSU Foundation - Equipment	33,200	32,200	-	
SD Variety Survey	5,000	350	10,000	Domain Name, Hosting Website
HRSW Quality Survey NDSU	11,196	11,196	11,695	
HRWW Quality Survey PGI	6,637	6,637	6,637	
Wheat Quality Council	4,000	4,000	4,000	
Special Resrch/Wheat Qlty	30,000	25,668	30,000	NCI Flour Samples (\$14,500, \$5,000, \$6,168)
Cont. Fund/Prod Projects	45,000	390	5,000	B Walker(Wheat Quality)
SD Value Added Ag Center	5,000	5,000	5,000	
Total Research	\$ 734,954	\$ 680,362	\$ 719,557	
MARKET DEVELOPMENT				
US Wheat	\$ 114,200	\$ 114,200	\$ 142,350	FY24 Full Dues \$284,700
USW Special Projects	-	-	-	
NCI	25,000	25,000	30,000	
NCI Equipment/Special Projects	15,000	15,000	50,000	Equipment Move
Trade Teams	-	-	-	
Official Hospitality	-	-	-	
Market Development	-	-	-	
Total Market Development	\$ 154,200	\$ 154,200	\$ 222,350	

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

	FY2023		FY2024	
	Budget	Est Actual	BOD Budget	
INFO., EDUCATION & PROMOTION				
Wheat Foods Council	\$ 28,457	\$ 28,457	\$ 28,357	
Web Site Dev & Maint.	1,000	500	1,000	Email @sdwheat.org (\$360), Domain SDWheat (\$55)
Consultants	9,000	9,000	38,200	McCracken 11,400 Dakota CPA 21,800 Other 5,000
Printing	1,500	700	2,500	
Postage	1,200	600	2,000	
Media	-	-	1,000	Advertising for New Position
Dakota Farm Talk	6,600	6,600	6,600	
Promotional Items/Activities	30,000	30,000	30,000	Ag Hor. (15%), Club/Com (12%), Ann Rpt (22%), Other (51%)
State Fair	2,340	2,250	2,340	Golf Carts, Picnic Tables, Event Guide
SD Ag Leadership	1,000	1,000	1,000	
Ag in the Classroom	-	-	-	
FFA/4H	1,125	325	1,125	
McFadden Symposium	10,000	10,000	10,000	
Scholarships	16,475	13,275	18,275	SDSU (\$9,425), MTI (\$2,250), LATI (\$1,600), Addt \$5,000
Professional Development	-	175	-	
MTI Farm Management	-	-	-	
Ag Experience/Educational Centers	5,000	-	-	
Home Baking Assoc	2,500	2,750	2,750	New Rate????
Total Info, Education & Promotion	\$ 116,197	\$ 105,632	\$ 145,147	
POLICY AND GOVERNMENT AFFAIRS				
NAWG	5,000	5,000	-	
Ed Grant - SDWGA/NAWG	94,000	94,000	96,000	SDWGA \$65,000, NAWG \$31,000
Regional Wheat Meetings	-	-	-	
Contract Labor	-	-	-	For any Legislative Activity
Total Policy and Government Affairs	\$ 99,000	\$ 99,000	\$ 96,000	
GENERAL OPERATIONS				
Computer	\$ 2,000	\$ 1,000	\$ 5,000	Includes Add't \$1,600 for New Hire
Office Rent	20,000	20,000	28,100	Pierre 20,000 Other 8,100
Utilities	7,000	6,500	7,000	
Telephone	2,300	2,300	2,300	
Supplies	2,500	1,500	2,500	State \$800, Cell \$1,500, New Hire \$1,000
Equipment	2,000	-	2,000	
Subscriptions	1,000	255	1,000	
Membership Dues	600	-	600	
Legal Expenses	100	100	100	
State Expenses	7,100	9,000	9,100	Cent Svc (\$2,100), G/L (\$1,800), HR Svc (\$2,800), PUC (\$2,400)
Audit Expenses	-	-	13,500	
Bank Charges	-	-	-	
Business Consultant	-	-	-	
Total General Operations	\$ 44,600	\$ 40,655	\$ 71,200	

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

	FY2023		FY2024	
	Budget	Est Actual	BOD Budget	
TRAVEL				
Air Travel	\$ 18,475	\$ 18,000	\$ 17,250	Increased All Travel 15% for New Hire
Mileage	12,000	6,000	17,250	
Meals	7,395	8,500	9,200	
Lodging	15,490	14,000	18,400	
Registrations	2,500	4,500	3,450	
State Vehicle Lease	10,000	9,000	10,000	
Incidentals	2,135	4,800	2,300	
Total Travel	\$ 67,995	\$ 64,800	\$ 77,850	
PERSONNEL SERVICES				
Exec. Dir.	\$ 93,859	\$ 93,859	\$ 100,429	
Exec. Dir. Retirement Payout	-	-	30,000	
Accountant/Office Mngr.	59,750	59,750	5,000	
Operations Manager	-	-	52,000	
Commissioner Per Diem	8,000	6,000	8,000	
Longevity	220	220	100	
Total Personnel Services	\$ 161,829	\$ 159,829	\$ 195,529	
EMPLOYEE BENEFITS				
OASI	\$ 12,380	\$ 12,227	\$ 19,323	
Retirement	9,800	9,230	14,675	
Insurance/Health	26,000	19,744	26,325	
Unempl & W/C	2,300	1,200	1,500	
Total Employee Benefits	\$ 50,480	\$ 42,401	\$ 61,823	
REFUNDS				
Refunds	187,768	253,001	132,500	10%
Total Refunds	\$ 187,768	\$ 253,001	\$ 132,500	
SUMMARY	FY23 Budget	Est. Year End	FY24 Var #1	
Total Expenditures	\$ 1,617,023	\$ 1,599,880	\$	1,721,956
Excess/Deficit	\$ (38,791)	\$ 516,711	\$	(346,456)
Ending Cash Balance	\$	\$ 1,584,940	\$	1,258,468