



National Grain and Feed Association

Minutes

NGFA BOARD OF DIRECTORS

*Omni Champions Gate
Orlando, Florida*

March 19, 2024

Presiding: Brian Schouvieller NGFA First Vice Chairman

First Vice Chairman Brian Schouvieller called the meeting to order at 12:45 p.m. Directors attending were Augusto Bassanini, Jeff Bechard, Greg Beck, Terry Bline, Wyatt Brummer, James Burgum, Kayla Burkhart, Patrick Coyle, Jim Dell, Bo DeLong, Scott Docherty, Allen Douglass, Chris Faust, John Fletcher, Gary Gantz, Robert Geers, Matt Gibson, Kevin Gray, Kim Hawks, Mark Heil, Beau Hepler, Jefferson Hillman, Roger Hugenberg, Eric Huschitt, Corey Jorgenson, Joe Kapraun, Paul Katovich, Jason Klootwyk, Alan Koenig, Bill Krueger, Chuck Kunisch, Nathan Laferrier, Stu Letcher, Dian McGuire, Kellie Melton, Michael Miller, Brad Morrison, Dan Mostad, Randal Olstad, Scot Ortman, Shay Rambur, Michael Reginelli, Ron Seeber, Mike Seyfert (NGFA), Kyle Shermock, Tim Simmons, Benjamin Smith, Curt Strubhar, Dan Suarez, Mike Tate, Andrew Utterback, Jeff Van Pevenage, Sheryl Wallace, Eric Wilkey, and Jeff Wilson.

Non-director committee and subcommittee chairs attending were MJ Anderson (Risk Management Committee), Darren Antrim (Motor Carrier Subcommittee), Justin Cauley (Transportation & Logistics Committee), Nick Friant (Grain Grades and Weights Committee), Edmund Hall (Feed Trade Rules Subcommittee), Brock Lautenschlager (Rail Shipper-Receiver Subcommittee), Jay Mathews (Arbitration Appeals Panel), Matt O'Mara (Trade & Crop Technology Committee), Jessica Stephan (Waterborne Subcommittee), Ryan Warner (Grain Trade Rules Subcommittee), Jeff Webb (Barge Freight Trading Rules Subcommittee), and Cory Winstead (Sustainability Committee).

NGFA staff attending were Trent Baker, Charlie Delacruz, Dave Fairfield, Max Fisher, Amelia Fitzgerald, Sarah Gonzalez, Rebecca Grubbs, Mary Hitchcock, Jess McCluer, Stephanie See, and Lauren Thrall.

Antitrust

Charlie Delacruz reminded the Board of the antitrust policy that applies to NGFA meetings.

Minutes

A motion passed unanimously to approve minutes of the Board meeting on Sept. 18, 2023.

Recognitions

Mr. Schouvieller recognized and thanked the outgoing members of the Board whose terms were expiring, and he welcomed the newly elected and appointed members.

Executive Committee Elections

Nominations Committee Chair Benjamin Smith acknowledged his fellow committee members (Gary Beachner, Jean Bratton, Kevin Gray, Jarvis Haugeberg, and Todd Lafferty) and submitted the following nominees for one-year terms on the Executive Committee: Jeff Bechard, Wyatt Brummer, Kayla Burkhardt, Bo DeLong, Chris Faust, Paul Katovich, Jason Klootwyk, Bill Krueger, Michelle Mapes, Shay Rambur, Sheryl Wallace, and Eric Wilkey. Mr. Smith noted that under the bylaws, Chairman Chris Boerm, First Vice Chairman Brian Schouvieller, Second Vice Chairman Augusto Bassanini, Immediate Past Chairman Greg Beck and President/CEO Michael Seyfert, serve as *ex officio* members of the Executive Committee.

The nominees were elected unanimously to the Executive Committee.

Financials

Mike Seyfert and Max Fisher reported on issues related to NGFA's finances, including the balance sheet, budget, and cash flow statements. As of January 31, 2024, NGFA had \$17,294,551 in total liabilities and equities. The discussion included plans to retain a firm for legislative affairs activity; income from arbitration and conferences; various options available related to office leasing; a potential dispute with the Omaha Hilton related to a fraudulently misdirected payment (the Hilton has not responded to NGFA's outreach, so NGFA's posture is that any further issues are for the Hilton to take); and related to corrective measures for the NGFA 401k-plan, estimates are for direct costs of approximately \$2,000 and under \$10,000 for legal expenses (a cost much lower than projected).

Then the Board was presented with a proposed budget for 2024-2025 (fiscal year April 1 – March 31) representing \$5,454,922 in total expenses and an operating profit of \$88,535.

A motion passed unanimously to approve the budget as submitted.

Investment Policies

Mr. Fisher presented the following recommended changes to the investment policies for the Association and Foundation [*additions underlined; omissions stricken-through*]:

NGFA Investment Policy

The ~~Board of Directors of the~~ NGFA Chairman is responsible for selecting the Investment Committee.

Responsibilities of the Investment Manager(s).....Report direct and indirect fees paid to the Investment Manager or related parties. Examples of fees include management fees, commissions, and 12b-1 fees.

Allowable Investments - In consultation with the President and Treasurer, the Investment Manager shall be authorized to invest the NGFA Operating Reserve Fund as follows:

The maturities on investments for the Operating Reserve Fund shall be limited to no more than 48 months. [In consultation with](#) the President and Treasurer, [the Investment Manager](#) shall be responsible for scheduling maturities.

[The Treasurer is authorized to annually transfer up to \\$250,000 from the Operating Reserve Fund to the NGFA checking account. Further withdrawals shall be subject to Investment Committee review and Executive Committee approval.](#)

NGFF Investment Policy

[The following procedures will be used to determine the dollar amounts placed in or taken out of the Foundation Fund.](#)

[i. The President and Treasurer will recommend dollar amounts.](#)

[ii. Following Investment Committee review, the Foundation Trustees will have final approval of the dollar amounts.](#)

The ~~Board of Directors of the~~ NGFA [Chairman](#) is responsible for selecting the Investment Committee.

Responsibilities of the Investment Manager(s).....[Report direct and indirect fees paid to the Investment Manager or related parties. Examples of fees include management fees, commissions, and 12b-1 fees.](#)

A motion passed unanimously to approve the changes as submitted.

Management Update

Mr. Seyfert provided an update on key NGFA management and administrative activities and accomplishments, including successfully fighting for reopening of rail crossings on the US/Mexico border; issuance of a clean audit for FY 2022/23; largest attendance for a Country Elevator Conference since 2017; completion of the work by the Committees Review Task Force; monthly meetings with state affiliates; participation in customer events with the Norfolk Southern and IGTC meetings in Geneva; new and updated IT functionality and a database for NGFA; moving of staff bonuses from December to March; transitioning of Tammy Elliot, Todd Kemp and Faith Silver from staff; and hiring of Trent Baker, Amelia Fitzgerald, and Lauren Thrall.

Long Range Plan

Mr. Seyfert provided an update on implementation of NGFA's Long-Range Plan (LRP). He referred to "The Four Pillars" that were identified when the LRP was enacted: 1) Preserve – referring to maintenance of competitiveness for the industry through activities such as those involving SBOC and maintenance of NGFA operations such as recruitment of arbitrators to satisfy the expanding the caseload and restoration of in-person meetings to pre-pandemic levels. 2) Advocate – referring to engagement such as advocacy on transportation and efforts to fill the open position on staff. 3) Develop – referring to overhaul of the CAP program; staff training; and review of committee and staffing structures. 4) Communicate – referring to review of the database/membership platforms, "Critical Mention" subscription, and the strategic communications plan.

Committees Implementation

Jess McCluer presented an update on implementation of the Committee Structure Task Force's final report, which was approved by the NGFA Board of Directors in September 2023, including establishment of the new committees and completion of changes impacting the most-affected committees in place for this convention, and renaming of the Country Elevator Committee.

Communications

Mike Seyfert and Sarah Gonzalez reported on implementation of the "pillar" related to communications under the NGFA's Long-Range Plan, including email-based marketing; transition of the website to its new platform; committee-focused communications with new web pages and informational campaigns; the communications survey and analysis conducted by Roots & Legacies earlier this year with the Executive Committee and Committee Apprentice Committee participants; and the new Communications, Marketing and Membership Committee.

Foundation

Brian Schouvieller, National Grain and Feed Foundation Chair, advised that Mark Avery and Rick Calhoun had retired as trustees for the Foundation, and Megan Sheeley was elected as a trustee by the Executive Committee last week. Mr. Schouvieller also discussed initiatives currently underway including funding of scholarships for university students in the field of agriculture through MANRRS (Minorities in Agriculture, Natural Resources and Related Sciences); promotion of ag messaging; health and safety; support for the Animal Ag Alliance; the Purdue University dust explosion study; and most recently, making it possible for donors to include endowments for the Foundation in their estate planning. The Board was also encouraged to recommend other potential projects for consideration by the Foundation and to make individual donations as well as consider donations by their companies.

Farm Bill

Ag Policy & Legislative Affairs Committee Chair Joe Kapraun and Stephanie See presented an update on NGFA's activities and overall progress related to the Farm Bill. A one-year extension was included in the Continuing Resolution passed before Thanksgiving. Areas in the Farm Bill in which NGFA is particularly engaged include crop insurance; decoupling of commodity programs; MAP/FMD funding; conservation titles; and policy related to solar panels on farmlands.

Transportation/Infrastructure

Transportation & Infrastructure Committee Chair Justin Cauley, Rail Shipper-Receiver Subcommittee Chair Brock Lautenschlager, and Waterborne Subcommittee Chair Jessica Stephan presented provided background on how the merger of the transportation committees into one was coming along and how the first joint meeting of the committee proceeded earlier this week. They also identified the accomplishments of the committees over the past year and laid out the goals for the coming year.

Union Walk Around Rule

Mr. McCluer advised that NGFA joined a coalition of agriculture and business groups in comments submitted to OSHA to urge the agency to withdraw a proposed rule that would expand access for third parties to participate as employee representatives in OSHA inspections. Despite numerous troublesome areas with the proposed rule, because it is highly desired by the presidential administration's union supporters, it is expected to be finalized quickly and issued sometime this spring.

NAEGA

North American Export Grain Association's new President and CEO, Alejandra Castillo, provided an update on activities in which the association is engaged.

Arbitration

Charlie Delacruz reported on the arbitration caseload. After a multi-year period of record high filings and activity, the pace of new filings had started to return to levels not seen since 2017-2020. The cases filed during that high period are now in the stages when the parties are completing arguments and cases are going to arbitration committees, including 18 pending cases involving oral hearings and four cases on appeal.

Future Meetings

Rebecca Grubbs referred to the materials provided to the Board in advance of this meeting, which provide details on numerous scheduled events, including meetings of the Executive Committee and Board, annual conventions and country elevator conferences with some scheduled as far out as 2028. In particular, Ms. Grubbs noted the next meeting of the Board, which is scheduled to occur at The Broadmoor in Colorado Springs, CO, on Sept. 9-10, 2024.

Other Business

Mr. Schouvieller opened the floor to questions and comments. None were forthcoming.

Adjournment

No other business was brought before the Board, and a motion passed unanimously to adjourn the meeting at 3:20PM.

Respectfully submitted:

Charlie Delacruz
NGFA Secretary

Approved:

Brian Schouvieller
NGFA First Vice Chairman