

Beef Promotion and Research Council of Texas

COUNCIL MEETING

JUNE 2023



Improve Texas producer profitability
by strengthening and expanding demand.

**BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
(BPRCT)**

Council Meeting

**Austin, Texas
Thursday, June 1, 2023
9:00 AM**

AGENDA

- 1. Call to Order and Establish Quorum**
- 2. Approval of Minutes**
- 3. Public Comment**
- 4. Discussion and Possible Action Items:**
 - Audit and Budget Committee Report
 - A. Approve Reimbursements to Texas Beef Council
 - B. Amend FY23 Budget
 - C. Accept Financial Statements
 - Additional Action
 - D. Approve Nominating Committee
 - E. Non-Compliance
- 5. Other Reports and Updates**
 - A. Collections / Refund Report
 - B. Quarterly Investment Report
- 6. Discussion of Other Business**

Acknowledgment and Placement on the Agenda for the Next Meeting
- 7. Discussion and Possible Action on Future Meeting Date**

August 23, 2023
- 8. Adjourn**

MINUTES

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

Council Meeting

Meeting Report

Chairman's Name: Pat McDowell

Meeting Time/Date: 9:00 AM, Wednesday, February 15, 2023

Meeting Place: Texas Beef Council, Austin, Texas (Virtual)

Roll Call

Directors:

Klazina de Boer, Mark Sustaire, Brian Malaer, Neil Dudley, Brandi Richards, Amy Kirkland, Richard Winter, Marsha Shoemaker, Pat McDowell, Sarah McKenzie, Dane Elliott, Brandon Cutrer, Fred Schuetze, Dan Gattis, Gilly Riojas, Leslie Kinsel, Shannon Treichel

Guests:

Debbie Gill

Staff:

Adriana Mora, Amber Elwood, Amy Foster, Cheyenne Pierce, Hannah Fuerniss, Jason Bagley, Jennifer Matison, Jerry McPherson, Jordan Manning, Kaleb McLaurin, Kathleen Pickett, Layla Mays, Michael Loeffler, Molly McAdams, Rachel Chou, Victoria Heller

Decisions Made

Chairman called the meeting to order and established a quorum.

Approved the minutes of the November 16, 2022, Council meeting

Motion by Mark Sustaire Second by Fred Schuetze Motion Passed

Approved Action Item A – Approve Reimbursements to Texas Beef Council

Motion by Fred Schuetze Second by Brian Malaer Motion Passed

Approved Action Item B – Accept Audited Financial Statements FY22

Motion by Fred Schuetze Second by Chloe Wilson Motion Passed

Approved Action Item C – Accept Financial Statements FY23

Motion by Fred Schuetze Second by Leslie Kinsel Motion Passed

Approved Action Item D – Approve Budget Amendments FY22

Motion by Brian Malaer Second by Fred Schuetze Motion Passed

Approved Action Item E – Approve Budget Amendments FY23

Motion by Fred Schuetze Second by Mark Sustaire Motion Passed

Other Reports and Updates

Item F – Non-Compliance

No Action

Collection / Refund Report

Pat McDowell called on Michael Loeffler to review the collections report contained in the Council book. Loeffler noted that year-to-date Checkoff collections through December 2022 were roughly \$40,000 or 1.43% less than the year-to-date budget. Year-to-date refunds were 5.3% of collections.

Quarterly Update on Investments

Pat McDowell requested Council members to note the quarterly investment report in the Council book.

Future Meeting Dates

The Council meeting dates for FY23 will be on:

June 1, 2023 (Austin) - Moved from June 7, 2023

August 23, 2023 (Austin)

Future Agenda:

None

Adjourn

Approve Motion to Adjourn 9:23 AM

Motion by Fred Schuetze Second by Brandi Richards

Motion Passed

Report Submitted by:

Pat McDowell

Date Submitted: June 1, 2023

Distribution: Council Members

BPRCT ACTION ITEM: A

Approve Reimbursements to Texas Beef Council

Action Item:

Formally approve actions taken by the Treasurer to reimburse expenses incurred by the Texas Beef Council (TBC) for programs conducted in accordance with the BPRCT-TBC Memorandum of Agreement.

Background:

In accordance with the terms of the BPRCT-TBC Memorandum of Agreement, TBC provides administrative and collection services and conducts programs for the BPRCT in compliance with the BPRCT fiscal year 2023 Marketing Plan and Budget. TBC presents monthly invoices to the Treasurer reflecting the BPRCT's share of the cost to provide these services. Upon determining if the amounts presented in the invoice are in accordance with the Marketing Plan and Budget, the Treasurer will approve the payment of the invoice. At its next regular meeting, the BPRCT board shall consider and act upon any TBC invoices paid by action of the Treasurer.

Rationale:

Excerpts from Texas Agriculture Code:

Sec. 41.060. Depository Bank; Expenditure Of Funds.

(a) The secretary-treasurer shall deposit all money received by the board under this chapter, including assessments, donations from persons, and grants from governmental agencies, in a bank selected by the board.

(b) Money received by the board may be expended for any purpose under this chapter.

(c) Funds assessed and collected under this chapter may not be expended for use directly or indirectly to promote or oppose the election of any candidate for public office or to influence legislation.

Financial Impact:

\$2,921,163.32 in reimbursements were invoiced for January through April 2023.

TBC INVOICE SUMMARY

Summary of Charges Through April 2023

	Staff Time (Hours)	Implementation Cost Allocation	Direct Cost	TOTAL
Consumer Marketing	5,258.3	\$ 413,142.51	\$ 1,957,173.71	\$ 2,370,316.22
Nutrition & Health	2,349.9	143,838.12	743,783.87	887,621.99
Channel Marketing	2,342.1	213,658.48	264,920.32	478,578.80
Issues & Reputation Management	497.0	39,109.79	9,184.68	48,294.47
Producer Communications	2,324.9	190,750.72	259,640.41	450,391.13
Beef Quality & Beef Safety	712.1	71,119.68	30,006.79	101,126.47
Export Market Development	67.5	6,547.58	30,354.63	36,902.21
Collections & Compliance	1,150.1	96,722.71	22,880.49	119,603.20
Administration & Accounting	2,101.0	232,959.80	-	232,959.80
	16,802.8	1,407,849.39	3,317,944.90	4,725,794.29

Year-to-Date Invoice Summary

	Amount Invoiced				FY23		Budget	
	January	February	March	April	Prior Months	Total	Budget	Remaining
Consumer Marketing	\$ 337,653.99	\$ 566,974.62	\$ 316,210.66	\$ 211,821.34	\$ 937,655.61	\$ 2,370,316.22	\$ 4,806,800.00	\$ 2,436,483.78
Nutrition & Health	103,828.68	119,440.07	129,399.66	139,676.03	395,277.55	887,621.99	1,745,800.00	858,178.01
Channel Marketing	65,944.30	40,983.72	185,541.21	75,844.06	110,265.51	478,578.80	1,024,200.00	545,621.20
Issues & Reputation Management	6,476.40	7,215.89	11,571.83	8,216.41	14,813.94	48,294.47	179,800.00	131,505.53
Producer Communications	92,128.18	30,302.98	96,206.07	63,478.81	168,275.09	450,391.13	665,200.00	214,808.87
Beef Quality & Beef Safety	12,058.24	10,903.93	16,285.73	13,101.56	48,777.01	101,126.47	242,200.00	141,073.53
Export Market Development	631.16	1,476.45	2,134.96	30,201.48	2,458.16	36,902.21	379,300.00	342,397.79
Collections & Compliance	25,326.20	15,828.65	25,786.78	14,539.44	38,122.13	119,603.20	183,900.00	64,296.80
Administration & Accounting	7,444.29	61,928.95	38,902.77	35,697.82	88,985.97	232,959.80	486,500.00	253,540.20
	651,491.44	855,055.26	822,039.67	592,576.95	1,804,630.97	4,725,794.29	9,713,700.00	4,987,905.71

Total - January 2023 through April 2023 **2,921,163.32**

TBC/BPRCT EXPENSE ALLOCATIONS

YEAR-TO-DATE THROUGH APRIL 30, 2023

Dept	Tactic	Tactic Description	Allocation Percentage		Direct Program Expenses			Program Implementation			Total	
			TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT	Total	TBC
2100	2197	TBC Administration	100.000%	0.000%	-	-	-	20,099.09	20,099.09	-	20,099.09	20,099.09
2100	2198	BPRCT Administration	0.000%	100.000%	-	-	-	2,846.02	-	2,846.02	2,846.02	-
2100	2199	Combined Administration	50.000%	50.000%	-	-	-	308,703.29	154,351.64	154,351.65	308,703.29	154,351.65
		Administration			-	-	-	331,648.40	174,450.73	157,197.67	331,648.40	174,450.73
2200	2297	TBC Accounting	100.000%	0.000%	-	-	-	9,358.07	9,358.07	-	9,358.07	9,358.07
2200	2298	BPRCT Accounting	0.000%	100.000%	-	-	-	5,903.79	-	5,903.79	5,903.79	-
2200	2299	Combined Accounting	50.000%	50.000%	-	-	-	139,716.68	69,858.34	69,858.34	139,716.68	69,858.34
		Accounting			-	-	-	154,978.54	79,216.41	75,762.13	154,978.54	79,216.41
2300	2311	Collection Activities	50.000%	50.000%	31,770.92	15,885.46	15,885.46	51,938.31	25,969.15	25,969.16	83,709.23	41,854.61
2300	2312	Compliance Activities	50.000%	50.000%	25.63	12.82	12.81	9,446.27	4,723.13	4,723.14	9,471.90	4,735.95
2300	2313	Field Staff Activities	50.000%	50.000%	12,616.52	6,308.26	6,308.26	38,275.67	19,137.83	19,137.84	50,892.19	25,446.10
2300	2314	Texas Checkoff Refunds	0.000%	100.000%	673.96	-	673.96	13,117.14	-	13,117.14	13,791.10	-
2300	2397	TBC Program Implementation	100.000%	0.000%	-	-	-	-	-	-	-	-
2300	2398	BPRCT Program Implementation	0.000%	100.000%	-	-	-	70.24	-	70.24	70.24	-
2300	2399	Combined Program Implementation	37.500%	62.500%	-	-	-	53,928.30	20,223.11	33,705.19	53,928.30	20,223.11
		Collections & Compliance			45,087.03	22,206.54	22,880.49	166,775.93	70,053.22	96,722.71	211,862.96	92,259.76
3100	3111	Retail Education	13.335%	86.665%	7,639.68	1,018.75	6,620.93	14,743.57	1,966.05	12,777.52	22,383.25	2,984.80
3100	3112	Industry Meetings & Planning	13.335%	86.665%	3,122.63	416.40	2,706.23	7,673.94	1,023.32	6,650.62	10,796.57	9,356.85
3100	3131	Retail Engagement	13.335%	86.665%	57,250.96	7,634.41	49,616.55	31,471.82	4,196.77	27,275.05	88,722.78	11,831.18
3100	3199	Combined Program Implementation	13.335%	86.665%	-	-	-	9,811.45	1,308.36	8,503.09	9,811.45	1,308.36
		Retail			68,013.27	9,069.56	58,943.71	63,700.78	8,494.50	55,206.28	131,714.05	17,564.06
3200	3211	Foodservice Education	13.335%	86.665%	212,078.36	28,280.64	183,797.72	179,273.81	23,906.15	155,367.66	391,352.17	52,186.79
3200	3212	Industry Meetings & Planning	13.335%	86.665%	845.78	112.78	733.00	-	-	-	845.78	112.78
3200	3222	Foodservice Outreach/Promotion	13.335%	86.665%	23,848.48	3,180.19	20,668.29	-	-	-	23,848.48	3,180.19
3200	3232	BLC Community Development	13.335%	86.665%	897.25	119.65	777.60	-	-	-	897.25	119.65
3200	3299	Combined Program Implementation	13.335%	86.665%	-	-	-	3,559.15	474.61	3,084.54	3,559.15	474.61
		Foodservice			237,669.87	31,693.26	205,976.61	182,832.96	24,380.76	158,452.20	420,502.83	56,074.02
4100	4111	Beef Loving Texans Store	100.000%	0.000%	844.19	844.19	-	16,683.34	16,683.34	-	17,527.53	-
4100	4112	Branding & Promotions	13.335%	86.665%	123,130.20	16,419.41	106,710.79	42,588.50	5,679.17	36,909.33	165,718.70	22,098.58
4100	4113	BLT Paid Advertising	13.335%	86.665%	1,456,105.05	194,171.52	1,261,933.53	7,267.43	969.11	6,298.32	1,463,372.48	195,140.63
4100	4116	Industry Meetings & Planning	13.335%	86.665%	4,342.86	579.12	3,763.74	8,486.12	1,131.62	7,354.50	12,828.98	1,710.74
4100	4121	BLT Earned Media	13.335%	86.665%	95,109.20	12,682.81	82,426.39	3,394.92	452.71	2,942.21	98,504.12	13,135.52
4100	4126	BLT Content	13.335%	86.665%	177,581.94	23,680.54	153,901.40	54,788.36	7,306.02	47,482.34	232,370.30	30,986.56
4100	4128	AgriLife Extension Engagement	13.335%	86.665%	90.29	12.04	78.25	923.62	123.16	800.46	1,013.91	135.20
4100	4131	BLT Brand Activation	13.335%	86.665%	277,903.74	37,058.45	240,845.29	69,444.07	9,260.36	60,183.71	347,347.81	46,318.81
4100	4132	BLT Social Media	13.335%	86.665%	40,684.09	5,425.22	35,258.87	34,685.61	4,625.32	30,060.29	75,369.70	10,050.54
4100	4133	Information Dissemination	13.335%	86.665%	83,373.27	11,117.82	72,255.45	2,282.98	304.44	1,978.54	85,656.25	11,422.26
4100	4199	Combined Program Implementation	13.335%	86.665%	-	-	-	252,850.40	33,717.59	219,132.81	252,850.40	33,717.59
		Consumer Marketing			2,259,164.83	301,991.12	1,957,173.71	493,395.35	80,252.84	413,142.51	2,752,560.18	382,243.96
4200	4216	Industry Meetings & Planning	13.335%	86.665%	3,552.61	473.74	3,078.87	4,691.48	625.61	4,065.87	8,244.09	1,099.35
4200	4222	Health Professional Outreach	13.335%	86.665%	70,117.98	9,350.23	60,767.75	51,815.81	6,909.64	44,906.17	121,933.79	16,259.87
4200	4224	Medical Office Outreach	13.335%	86.665%	722,498.87	96,345.18	626,153.69	25,538.30	3,405.53	22,132.77	748,037.17	99,750.71
4200	4225	Nutrition Content	13.335%	86.665%	10,813.00	1,441.91	9,371.09	16,661.68	2,221.83	14,439.85	27,474.68	3,663.74
4200	4234	Consumer Nutrition Education	13.335%	86.665%	51,246.14	6,833.67	44,412.47	35,576.73	4,744.15	30,832.58	86,822.87	11,577.82
4200	4299	Combined Program Implementation	13.335%	0.000%	-	-	-	31,686.24	4,225.36	27,460.88	31,686.24	4,225.36
		Nutrition & Health			858,228.60	114,444.73	743,783.87	165,970.24	22,132.12	143,838.12	1,024,198.84	136,576.85
											887,621.99	

TBC/BPRCT EXPENSE ALLOCATIONS

YEAR-TO-DATE THROUGH APRIL 30, 2023

Dept	Tactic	Tactic Description	Allocation Percentage		Direct Program Expenses			Program Implementation			Total	
			TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT	Total	TBC
5100	5111	Crisis Communications	100.000%	0.000%	-	-	-	606.46	606.46	-	606.46	606.46
5100	5112	Industry Advocacy	13.335%	86.665%	8,005.35	1,067.51	6,937.84	7,432.40	991.11	6,441.29	15,437.75	2,058.62
5100	5113	Issues & Reputation Management	13.335%	86.665%	1,500.00	200.02	1,299.98	900.90	120.13	780.77	2,400.90	320.15
5100	5115	Production Content	13.335%	86.665%	1,092.55	145.69	946.86	6,695.81	892.89	5,802.92	7,788.36	1,038.58
5100	5199	Combined Program Implementation	13.335%	86.665%	-	-	-	30,098.43	4,013.62	26,084.81	30,098.43	4,013.62
		Issues & Reputation Management			10,597.90	1,413.22	9,184.68	45,734.00	6,624.21	39,109.79	56,331.90	8,037.43
6100	6111	Producer Direct Communications	13.335%	86.665%	77,727.98	10,365.02	67,362.96	151,190.47	20,161.24	131,029.23	228,918.45	30,526.26
6100	6112	Producer Assets	13.335%	86.665%	68,969.00	9,197.01	59,771.99	5,925.27	790.13	5,135.14	74,894.27	9,987.14
6100	6113	Producer Influencer Communications	13.335%	86.665%	28,036.27	3,738.63	24,297.64	9,837.86	1,311.88	8,525.98	37,874.13	5,050.51
6100	6115	Industry Meetings & Planning	13.335%	86.665%	2,008.07	267.78	1,740.29	28,831.11	3,844.63	24,986.48	30,839.18	4,112.41
6100	6116	Producer Earned Media	13.335%	86.665%	12,193.20	1,625.96	10,567.24	2,923.70	389.88	2,533.82	15,116.90	2,015.84
6100	6117	Producer Paid Media	13.335%	86.665%	62,136.68	8,285.92	53,850.76	-	-	-	62,136.68	8,285.92
6100	6118	Producer Strategy	13.335%	86.665%	48,519.62	6,470.09	42,049.53	10,709.21	1,428.07	9,281.14	59,228.83	7,898.16
6100	6199	Combined Program Implementation	13.335%	86.665%	-	-	-	10,683.59	1,424.66	9,258.93	10,683.59	1,424.66
		Producer Communications			299,590.82	39,950.41	259,640.41	220,101.21	29,350.49	190,750.72	519,692.03	69,300.90
7100	7111	Beef Quality Assurance	13.335%	86.665%	25,823.30	3,443.54	22,379.76	30,692.64	4,092.86	26,599.78	56,515.94	7,536.40
7100	7112	AgriLife BQA Travel	0.000%	100.000%	5,541.09	-	5,541.09	-	-	-	5,541.09	-
7100	7113	Industry Meetings & Planning	13.335%	86.665%	2,216.90	295.62	1,921.28	4,340.47	578.80	3,761.67	6,557.37	874.42
7100	7131	Beef Quality & Safety Research	13.335%	86.665%	190.00	25.34	164.66	976.25	130.18	846.07	1,166.25	155.52
7100	7199	Combined Program Implementation	10.001%	89.999%	-	-	-	44,347.46	4,435.30	39,912.16	44,347.46	4,435.30
		Beef Quality & Beef Safety			33,771.29	3,764.50	30,006.79	80,356.82	9,237.14	71,119.68	114,128.11	13,001.64
8100	8111	USMEF Programs	13.335%	86.665%	35,025.25	4,670.62	30,354.63	7,389.30	985.36	6,403.94	42,414.55	5,655.98
8100	8112	International Industry Meetings	100.000%	0.000%	3,330.76	3,330.76	-	6,403.24	6,403.24	-	9,734.00	9,734.00
8100	8199	Combined Program Implementation	56.667%	43.333%	-	-	-	331.48	187.84	143.64	331.48	187.84
		Export Market Development			38,356.01	8,001.38	30,354.63	14,124.02	7,576.44	6,547.58	52,480.03	15,577.82
Grand Total					3,850,479.62	532,534.72	3,317,944.90	1,919,618.25	511,768.86	1,407,849.39	5,770,097.87	1,044,303.58
												4,725,794.29

BPRCT ACTION ITEM: B

Amend FY23 Budget

Action Item:

Approval of an amendment to the FY23 budget.

Background:

In May 2023, the Texas Beef Council (TBC) Executive Committee approved budget redirections to move budgeted funds from program areas projected to be under budget by year-end to program areas projected to be over budget. These budget redirections do not change total revenue or total expenses. Because TBC and BPRCT share the costs of programs contained in the plan and budget, TBC requests that BPRCT amend its budget for FY23 to accommodate the proposed program changes.

Rationale:

The BPRCT approved a budget for FY23 based on a plan presented by TBC, which conducts programs for the BPRCT in accordance with the terms of the BPRCT-TBC Memorandum of Agreement. If TBC proposes changes to the plan that would impact the BPRCT budget and the sharing of program costs, the BPRCT must consider whether or not it will approve an amendment to its budget. The BPRCT budget and any amendments to it must be approved by the Texas Department of Agriculture Commissioner.

Financial Impact:

None

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

FY23 Budget

	<u>Amended Budget</u>	<u>Proposed Amendment</u>	<u>Proposed Amended Budget</u>
REVENUES			
Checkoff Assessments	\$ 9,650,000	\$ -	\$ 9,650,000
Less: Refunds	<u>(675,500)</u>	<u>-</u>	<u>(675,500)</u>
Checkoff Assessments, Net	8,974,500	-	8,974,500
Investment Revenues	<u>63,000</u>	<u>-</u>	<u>63,000</u>
	<u>9,037,500</u>	<u>-</u>	<u>9,037,500</u>
EXPENSES			
Promotion	4,020,500	(109,000)	3,911,500
Research	90,200	(900)	89,300
Education	4,932,600	66,000	4,998,600
Administration	685,400	43,900	729,300
Other (Referendum)	<u>-</u>	<u>-</u>	<u>-</u>
	<u>9,728,700</u>	<u>-</u>	<u>9,728,700</u>
EXPENSES IN EXCESS OF REVENUE	<u>(691,200)</u>	<u>-</u>	<u>(691,200)</u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

FY23 Budget Summary

	Original Budget	Amendment Approved 2/15/2023	Proposed Amendment	Amended Budget
REVENUES				
Checkoff Assessments	\$ 9,650,000			\$ 9,650,000
Less: Refunds	(675,500)	-	-	(675,500)
Checkoff Assessments, Net	8,974,500	-	-	8,974,500
Investment Revenues	63,000	-	-	63,000
	<u>9,037,500</u>	<u>-</u>	<u>-</u>	<u>9,037,500</u>
EXPENSES				
In-state TBC Contract Expenses				
Direct Program Expenses				
Marketing				
Consumer Marketing	4,427,800	(516,300)	60,200	3,971,700
Nutrition & Health	1,580,700	(86,700)	(59,800)	1,434,200
Beef Resources				
Channel Marketing	693,400	(94,000)	(6,300)	593,100
Issues & Reputation Management	130,000	(17,400)	300	112,900
Producer Communications	459,300	(49,400)	5,500	415,400
Beef Quality & Beef Safety	108,800	(22,500)	10,800	97,100
Export Market Development	369,600	-	1,100	370,700
Collections & Compliance	49,500	-	4,200	53,700
	<u>7,819,100</u>	<u>(786,300)</u>	<u>16,000</u>	<u>7,048,800</u>
Program Implementation	<u>2,680,900</u>	<u>-</u>	<u>(16,000)</u>	<u>2,664,900</u>
	<u>10,500,000</u>	<u>(786,300)</u>	<u>-</u>	<u>9,713,700</u>
Other				
Administration	15,000	-	-	15,000
	<u>10,515,000</u>	<u>(786,300)</u>	<u>-</u>	<u>9,728,700</u>
REVENUE IN EXCESS OF EXPENSES	<u>(1,477,500)</u>	<u>786,300</u>	<u>-</u>	<u>(691,200)</u>

BPRCT ACTION ITEM: C

Accept Financial Statements

Action Item:

Review and accept the year-to-date financial statements through April 2023.

Background:

The April 2023 financial statements are presented using the modified cash basis of accounting. The financial statements present year-to-date results of operations and include a comparison to the budget.

Rationale:

Members must routinely review, understand, and approve the financial reports of BPRCT.

Financial Impact:

None

Staff Impact:

Approximately 5 hours to prepare the monthly financial statements.



To: Council Members
From: Michael Loeffler
Re: April 2023 Financial Statements

This packet includes the BPRCT financial statements and related schedules prepared on the modified cash basis for April 2023. Please note the following:

Statement of Activities – Comparative

Checkoff revenues in April 2023 are \$26,200 and \$73,300 less than revenues in April 2022 and 2021, respectively. Year-to-date Checkoff revenues in FY23 are \$126,200 less than year-to-date revenues in FY22 and \$46,500 greater than year-to-date revenues in FY21.

Refunds in April 2023 are \$26,600 and \$21,800, greater than refunds in April 2022 and 2021, respectively. We have now confirmed that two feed yards are submitting their refund requests every other month rather than monthly, which is diminishing the comparability of refunds between years. They can do this because of the 60-day period they have to submit refunds. Included in the high refund amount this month are refund requests from a feed yard that had not previously requested refunds and refund requests from an out-of-state dairy and feed yard. Year-to-date refunds in FY23 are \$16,400 and \$35,100, greater than year-to-date refunds in FY22 and FY21, respectively.

Export Market Development expenses in April 2023 are greater than prior year amounts due to reimbursements to the U.S. Meat Export Federation for programs they conducted earlier in the fiscal year.

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statements of Financial Position
(Modified Cash Basis)

	<u>4/30/23</u>	<u>4/30/22</u>	<u>4/30/21</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 939,403	\$ 2,286,234	\$ 3,045,366
Investments	4,260,182	2,737,856	600,786
Receivable from Texas Beef Council	<u>846,507</u>	<u>872,715</u>	<u>919,771</u>
	<u>\$ 6,046,092</u>	<u>\$ 5,896,805</u>	<u>\$ 4,565,923</u>
 LIABILITIES & NET ASSETS			
Current Liabilities			
Payable to Texas Beef Council	\$ 592,577	\$ 620,990	\$ 736,408
 Net Assets			
Unrestricted Net Assets	<u>5,453,515</u>	<u>5,275,815</u>	<u>3,829,515</u>
	<u>\$ 6,046,092</u>	<u>\$ 5,896,805</u>	<u>\$ 4,565,923</u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statements of Activities – Comparative
(Modified Cash Basis)

	One Month Period Ended			Year-to-Date Through		
	4/30/23	4/30/22	4/30/21	4/30/23	4/30/22	4/30/21
REVENUES						
Checkoff Revenues						
Texas Checkoff Revenues	\$ 846,297	\$ 872,256	\$ 919,339	\$ 5,925,906	\$ 6,053,593	\$ 5,884,571
Late Fees	210	460	432	7,502	5,979	2,345
	846,507	872,716	919,771	5,933,408	6,059,572	5,886,916
Less: Refunds	(61,380)	(34,806)	(39,584)	(297,071)	(280,632)	(261,972)
	785,127	837,910	880,187	5,636,337	5,778,940	5,624,944
Interest	17,667	1,157	174	98,322	2,718	3,121
	802,794	839,067	880,361	5,734,659	5,781,658	5,628,065
EXPENSES						
In-State Programs						
Marketing						
Consumer Marketing	211,821	260,487	344,994	2,370,316	2,232,944	1,927,553
Nutrition & Health	139,676	114,050	153,387	887,622	739,607	730,317
	351,497	374,537	498,381	3,257,938	2,972,551	2,657,870
Beef Resources						
Channel Marketing	75,844	70,341	70,855	478,579	376,326	360,691
Issues & Reputation Mgmt	8,216	9,664	6,109	48,294	41,357	39,596
Producer Communications	63,479	87,242	87,159	450,391	463,467	349,669
Beef Quality & Beef Safety	13,102	18,798	15,121	101,127	128,696	93,145
Export Market Development	30,201	1,304	1,363	36,902	3,387	19,827
	190,842	187,349	180,607	1,115,293	1,013,233	862,928
Collections & Compliance	14,537	21,023	13,289	119,571	83,454	74,921
Administration	36,095	38,370	44,395	248,431	235,953	263,246
	592,971	621,279	736,672	4,741,233	4,305,191	3,858,965
TOTAL INCREASE IN NET ASSETS	\$ 209,823	\$ 217,788	\$ 143,689	\$ 993,426	\$ 1,476,467	\$ 1,769,100

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statement of Activities – Actual vs Budget
(Modified Cash Basis)

	Year-to-Date Through 4/30/23	Annual Budget
REVENUES		
Checkoff Revenues		
Texas Checkoff Revenues	\$ 5,925,906	\$ 9,650,000
Late Fees	7,502	-
	<u>5,933,408</u>	<u>9,650,000</u>
Less: Refunds	(297,071)	(675,500)
	<u>5,636,337</u>	<u>8,974,500</u>
Interest	98,322	63,000
	<u>5,734,659</u>	<u>9,037,500</u>
 EXPENSES		
In-State Programs		
Marketing		
Consumer Marketing	2,370,316	4,806,800
Nutrition & Health	887,622	1,745,800
	<u>3,257,938</u>	<u>6,552,600</u>
Beef Resources		
Channel Marketing	478,579	1,024,200
Issues & Reputation Management	48,294	179,800
Producer Communications	450,391	665,200
Beef Quality & Beef Safety	101,127	242,200
Export Market Development	36,902	379,300
	<u>1,115,293</u>	<u>2,490,700</u>
Collections & Compliance	119,571	183,900
Administration	248,431	501,500
	<u>4,741,233</u>	<u>9,728,700</u>
 TOTAL INCREASE IN NET ASSETS	 <u><u>\$ 993,426</u></u>	 <u><u>\$ (691,200)</u></u>

BPRCT ACTION ITEM: D

Approve Nominating Committee

Action Item:

Approve the nominating committee.

The Chairman nominates the following members for appointment to the Nominating Committee:

Dan Gattis, Chairman
Mark Sustaire
Chloe Wilson

Background:

The BPRCT Bylaws, Article VII, Committees, Section 3. Nominating Committee. *"The Council shall elect a Nominating Committee from nominations by the Chairman. The Nominating Committee shall recommend candidate(s) for Chairman, Vice Chairman/Secretary-Treasurer, and the Executive Committee. The Nominating Committee shall present its recommendations to the entire Council, by mail or other means of transmittal, at least 10 days before the meeting at which the nominated officers and/or Executive Committee members will be considered for election by the Council. The Nominating Committee shall be composed of three directors, which shall include the immediate Past Chairman of the Council unless the immediate Past Chairman is unable or unwilling to serve; provided that no two directors be from the same qualified organization represented on the Texas Beef Council."*

Rationale:

The BPRCT Bylaws, Article VI, Officers and Administration, Section 1. Qualification and Election read *Officers of the Council shall be nominated by the nominating committee and elected by the Council. Officers shall assume office at the end of the meeting at which they are elected.* The Nominating Committee shall offer a slate of officers at the last meeting of the fiscal year, typically in August; therefore, it is expedient that the committee be appointed at the June meeting.

Financial Impact:

None

Staff Impact:

None

BPRCT ACTION ITEM: E

Non-Compliance

Action Item:

Authorize actions to be taken, if any, in connection with non-compliance matters.

Background:

From time to time, the Council must take action on matters concerning non-compliance.

Rationale:

Excerpts from Texas Agriculture Code:

Sec. 41.101. Failure to Remit Assessment.

(a) The board may investigate conditions that relate to the prompt remittance of the assessment by any producer or processor. If the board has probable cause to believe that a person has failed to collect an assessment or failed to remit to the board an assessment as required by this chapter, the board may:

(1) Independently institute proceedings for recovery of the amount due to the board or for injunctive or other appropriate relief;

(2) Request the attorney general, or the county or district attorney having jurisdiction, or both, to institute proceedings in the board's behalf; or

(3) Forward to the department for action under Section 41.1011 a complaint and any original evidence or other information establishing probable cause.

(b) Suit under this section may be brought in Travis County or a county in which the person who is alleged to have failed to collect or remit an assessment conducts business related to the commodity subject to the uncollected or unpaid assessment.

(c) The remedies provided by this section are cumulative of other remedies provided by law.

Financial Impact:

Unknown

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

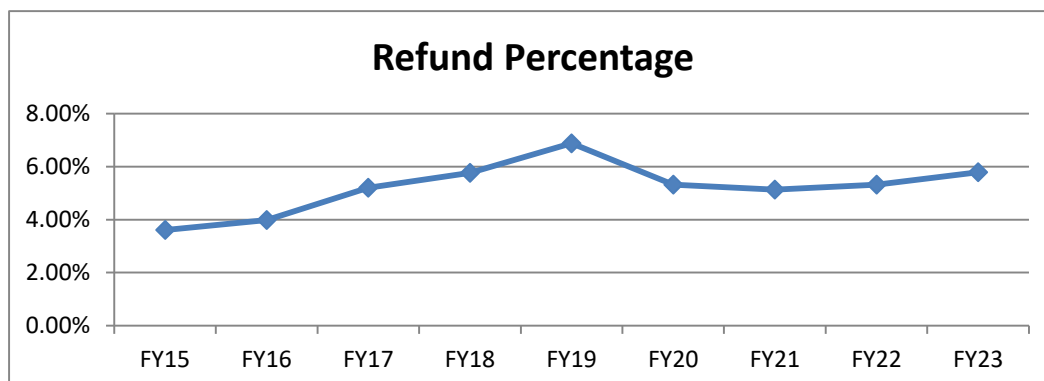
Collections Report April 30, 2023

	<u>Actual</u>		<u>Budget</u>	<u>Budget Variance</u>	<u>Actual as a % of Budget</u>
Texas Checkoff Collections, Net of Exemptions					
October	\$ 864,462		\$ 1,035,054	\$ (170,592)	83.52%
November	947,814		874,806	73,008	108.35%
December	942,360		884,873	57,487	106.50%
January	731,433		703,383	28,050	103.99%
February	850,271		718,549	131,722	118.33%
March	750,561		654,102	96,459	114.75%
April	846,507		699,134	147,373	121.08%
	<u>5,933,408</u>	100.0%	<u>5,569,901</u>	<u>363,507</u>	106.53%
Refunds Processed					
Refund requests received in October	54,741				
Refund requests received in November	43,318				
Refund requests received in December	47,534				
Refund requests received in January	57,333				
Refund requests received in February	32,734				
Refund requests received in March	61,378				
Refund requests received in April	46,143				
	<u>343,181</u>	5.8%			
Collections, Net of Refunds	<u>5,590,227</u>	94.2%			

Note: In the schedule above, the amount of refund requests received in a particular month is not comparable to the amount of checkoff collected in that same month because of the 60 day period to request a refund. As a result, the percentage of refunds shown above is not a true indicator of refunds as a percent of collections.

Refunds by Sector

Individuals	33,178	9.7%
Dairies	8,092	2.4%
Feedyards	285,373	83.2%
Out of State	16,538	4.8%
	<u>343,181</u>	100.0%



BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Quarterly Report of Public Funds Investments
For the Quarter Ended March 31, 2023

CERTIFICATES OF DEPOSIT

Issuing Institution	CUSIP	Interest Rate/Yield	Maturity Date	Days to Maturity	Fair Value		Cost Basis		Interest Receivable		
					Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Interest Earned	Ending Balance
Pacific Western Bank	69506YXT1	5.450%	22-Mar-24	357	\$ -	\$ 243,757	\$ -	\$ 243,000	\$ -	\$ 190	\$ 190
					-	243,757	-	243,000	-	190	190

DEBT SECURITIES

Issuing Institution	CUSIP	Interest Rate/Yield	Maturity Date	Days to Maturity	Fair Value		Face Value		Discount		
					Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Purchases	Ending Balance
U.S. Treasury	912796S34	0.520%	26-Jan-23	0	249,380	-	250,000	(250,000)	(92)	-	92
U.S. Treasury	912796S34	0.754%	26-Jan-23	0	249,380	620	250,000	(250,000)	(134)	-	134
U.S. Treasury	912796U31	1.156%	23-Mar-23	0	247,562	2,438	250,000	(250,000)	(644)	-	644
U.S. Treasury	912796V48	1.850%	20-Apr-23	20	246,682	2,699	250,000	-	(1,375)	-	1,125
U.S. Treasury	912796W47	1.902%	18-May-23	48	245,658	2,858	250,000	-	(1,773)	-	1,156
U.S. Treasury	912796X53	2.652%	15-Jun-23	76	244,960	2,692	250,000	-	(2,957)	-	1,603
U.S. Treasury	912796XQ7	3.001%	13-Jul-23	104	244,059	2,613	250,000	-	(3,902)	-	1,810
U.S. Treasury	912796XY0	3.052%	10-Aug-23	132	243,180	2,560	250,000	-	(4,540)	-	1,841
U.S. Treasury	912796YH6	3.601%	7-Sep-23	160	242,432	2,375	250,000	-	(6,007)	-	2,163
U.S. Treasury	912796YJ2	4.253%	5-Oct-23	188	289,830	3,122	300,000	-	(9,429)	-	3,053
U.S. Treasury	912796S34	3.750%	26-Jan-23	0	299,256	744	300,000	(300,000)	(794)	-	794
U.S. Treasury	912796YT0	4.602%	2-Nov-23	216	384,768	4,454	400,000	-	(14,944)	-	4,395
U.S. Treasury	912796T33	4.003%	23-Feb-23	0	298,108	1,892	300,000	(300,000)	(1,760)	-	1,760
U.S. Treasury	912796ZD4	4.502%	30-Nov-23	244	287,531	3,543	300,000	-	(12,368)	-	3,621
U.S. Treasury	912796YL7	4.153%	16-Mar-23	0	297,384	2,616	300,000	(300,000)	(3,041)	-	3,041
U.S. Treasury	912796YH6	4.550%	7-Sep-23	160	-	292,034	-	300,000	-	(7,966)	2,119
U.S. Treasury	912796ZY8	4.505%	25-Jan-24	300	-	382,896	-	400,000	-	(17,104)	2,771
U.S. Treasury	912796YJ2	4.650%	5-Oct-23	188	-	291,162	-	300,000	-	(8,838)	1,827
U.S. Treasury	912796Z28	4.800%	22-Feb-24	328	-	286,138	-	300,000	-	(13,862)	1,371
U.S. Treasury	912796ZD4	4.800%	30-Nov-23	244	-	291,166	(92)	300,000	-	(8,834)	314
					4,070,170	43,547	4,150,000	(50,000)	(63,759)	(56,605)	35,633
						4,007,112		4,100,000			(84,730)

As of 3/31/23:

Average CD Portfolio Yield	5.450%
Average Debt Security Portfolio Yield	3.844%
1 year U.S. Treasury Yield	4.640%

MONEY MARKET FUNDS

Fund	Symbol	Fair Value	
		Beginning Balance	Ending Balance
Invesco - Treasury Portfolio	TPFXX	730,138	933,461
Goldman Sachs - Government Fund	GCXX	259,591	125,892
		989,729	1,059,353

