***Wisconsin Grass-fed Beef Cooperative Annual Meeting***

***Held at Wintergreen Resort, Wisconsin Dells on February 18, 2017***

**Introduction-** Russ Endres, President called themeeting to order at 9:45 a.m.

President Endres introduced the members of the Board of Directors and the Management Team. There were over 50 co-op members in attendance.

**Approve 2016 Annual Meeting Minutes-** Greg Nowicki, Secretary provided the minutes from the 2016 Annual Meeting in a written newsletter sent to all members in January. Motion by Kevin Moore to approve the minutes, second by Mel Abel. MC

**Treasurer's Report-** Tim Mathison, the Co-op's accountant gave an overview of the 2016 financials. Co-op had record profit of $41,540 in 2016. The improved cash flow position has lowered the average accounts payable days to pay, which means the producers are getting paid for cattle faster than in past years. Overall, the Co-op is in a strong financial position going into 2017.

**2016 Overview-** Rod Ofte – General Manager, presented a summary and highlights of 2016. These include, 5% sales growth and record profit, continued premium producer payments and paying producers faster, expanded USDA processing that will allow the Co-op to target the Twin Cities and Chicago for sales opportunities, the Neesvig's distributor launch, improved carcass utilization, and the Tiered Pricing incentives which have lead to increased consistency.

2016 also had a number of challenges including lack of supply of consistent cattle, increasing competition, USDA and distributor challenges, multi destination processors, and lower than desired number of participants for leads, referrals, and demos.

The Board of Directors approved a Patronage Dividend for the producers who shipped cattle to the Co-op in 2016. The total dividend is 15% of the net profit of $41540, which is $6225.44. The dividend checks were sent out in January and February 2017. Written copies of the 2016 P&L results were made available to all producers.

**Outlook-** Rod Ofte, General Manager, gave a brief outlook of the Co-op going into 2017. The focus will be on our reinforcing our brand message and promise. There are new accounts and opportunities that Rod is working on expanding for 2017. The Co-op has been sponsoring and partaking in events such as Grassworks, REAP Burgers and Brew, WI Grocers' Association, Midwest Foodservice Show, FEAST local food show, and other regional events and pasture walks.

**2017 Business Approach-** For 2017, the Co-op is looking to increase the quality and availability of cattle. Continued stable growth of 4% is forecast. Look to strengthen brand awareness, with one of the key pieces being the new branded van. Look to increase cash reserves and consolidate debt. Grow our farm to table business as it our most profitable segment. It is an area we can compete in and be a leader as we build our brand equity across the value chain.

**Tiered Pricing Update-** The importance of shipping properly finished cattle was reinforced because our customers pay a premium for high quality, consistent product. Low quality carcasses have less value to the Co-op and will be priced accordingly. The key to take away is if the producer doesn't know if the animal is finished, they should not ship it. Written copies of the program were also made available to all producers.

**Awards-** Pete Prochnow presented the Producer of the Year Award to Dan and Mary Ann Wagner, and the Member of the Year Award to Karen and Gary Walker.

**Annual Meeting Sponsors-** Rod thanked Lorentz Meats, WI Farmers Union, and Badgerland Financial for sponsoring the annual meeting. WI Farmers Union had a representative on hand to hand out material and answer member questions.

**Member Introductions-** The members attending introduced themselves.

**Board Member Nominations and Election Results-** Three seats were open for election. Nominees were current board members Mel Abel, Judy Lang, and Russ Endres, and also running was Jason Cavadini. Casey Kersteins was nominated from the floor and accepted the call to run. The results of the election had Russ Endres and Judy Lang being reelected and Jason Cavadini was the winner of the third seat.

**Educational Session-** Gene Schriefer had a presentation entitled Cover Crops as Forages for Grazing Livestock. He was followed by Dr. Allen Williams who gave his presentation "State of the Grass-fed Industry". The attendees were presented lots of good information from both speakers.

**Adjournment-** The meeting was adjourned at 4:00 p.m. It was followed by happy hour and food prepared by Wintergreen Resort.