

## **US-IDF Membership Call September 29-30, 2020 Minutes**

### **Board Members on call:**

Mitch Bowling, Abbott	Dan Meyer, ADPI	Juan Romero, CDR
Denise Mullinex, CDRF	Andy Novakovic, Cornell	Adam Brock, DFW
Greg Miller, DMI	Chris Allen, DFA	Greg Miller, DMI
Allen Saylor, EAS Consulting	John Sheehan, FDA (day 1)	Amandeep Dhillon, Grande
Joe Scimeca, IDFA	Sharon Marsh, Land O'Lakes	Shawna Morris, NMPF
Nate Banner, Neogen	Praveen Upreti, Nestle	Jackie Page, Page & Pederson
Chris Thompson, USDA	Nick Gardner, USDEC	

Other members in attendance for all or part of the meeting: John Allan, Anand Rao, Tammy Anderson-Wise, Ashley Rosales, Robbin Koenig, Bill Graves, Blake Anderson, Kevin Burkman, Torben Pedersen, Jamie Jonker, Emily Yeiser Stepp, John Kelly, Jason, Semerad, Kevin Comerford, Cary Frye, Amy Boileau, Annie Bienvenue, Bruce German, Danielle Quist, Dustin Starkey, Liz Tieglund, Mitch Kanter, Peggy Ponce, Roy Barham, Thomas Buehler, Wendy Warren, Ying Wang. Also on call: Jay Mattison, ReQuest; Deb Wendorf Boyke, US-IDF National Secretary.

### **I. Call to Order/Review of Agenda**

The morning education session was a panel discussion on the significance of the UN Food Systems Summit led by Greg Miller, Nick Gardner and Kevin Burkham.

Chair Shawna Morris called the meeting to order at 10:55 a.m. Agenda reviewed and approved.

### **II. Approval of March 20, 2020 Minutes**

- One correction: addition of Board names in attendance that were omitted.
- Nick Gardner, Greg Miller m/s/c to accept minutes with noted correction.

### **III. Chair's Report, Shawna Morris**

- Shawna thanked the Membership committee who has been working on engagement and outreach ideas, as well as reviewing the membership/dues structure. She also thanked members who have been so active in the work of IDF on behalf of the US-IDF. There will be a 2019 accomplishments report worked on for circulation to the membership to help with the value proposition and membership recruitment.

### **IV. National Secretary Report, Debra Wendorf Boyke (report attached)**

### **V. Membership Committee report, Allen Saylor, Co-chair**

- Jamie Jonker has led the subcommittee on Dues. The proposal (attached) is such that by 2022 dues would be close to matching expenses.
- Considerable dialog followed regarding the categories, levels within categories, dues amounts, timing of the proposed changes and pros/cons of impact. Comments included:
  1. Recruitment and value proposition is key. Need increased awareness
  2. May be late in the year to announce an increase for 2021.
  3. Not making the changes may penalize small companies
  4. Category II should give consideration for different sized associations, not just national, regional and state
  5. Need to consider breaking the proposal into two parts: a) dues structure; b) dues implementation
- **Nick Gardner, Torben Pedersen moved/seconded to approve structure for Category I and III; but requested committee to do further work on Category II given the comments during discussion and bring back a new proposal to the Board. Motion carried.**
- **Torben Pedersen, Anand Rao moved/seconded to implement the proposed dues amount changes in 2021. Motion did not pass.**

- **Dan Meyer, Juan Romero moved/seconded to implement dues change in 2022. Motion carried.**
- **Torben Pedersen made a motion to implement dues change for Category I in 2021. Motion did not receive a second.**

- Allen/Deb shared an initial look at the website redesign and framework. The 2020 budget included money for the outside vendor to develop the framework, but not dollars for the additional staff time to do content development estimated at \$4000.
- **Nate Banner, Juan Romero moved to approve a one-time expense of \$4000 for website content development in 2020. Motion carried.**
- A newsletter idea was shared. Estimated cost for development, a mailing program such as Constant Contact and staff time is \$3500. Members shared that they prefer email updates at this point in time.

#### **VI. By Laws update – Jay Mattison**

- Need to add any changes as a result of Membership Committee work on membership categories/dues structure.
- Will now update and have a review item for spring meeting

#### **VII. Financial Report – Dan Meyer and Jay Mattison (copy attached)**

- 2020 Year to date (9/8/20) financials were reviewed
  - Balance statement through 9/8/2020 is \$325,778 which is 2.2 times yearly operating expenses in assets.
  - Dues received = \$120,900 which is 106% of budget.
  - Project to be break even by year end with reduced travel costs, IDF Brussels dues being \$5308 less than budget due to favorable conversion rate, and membership income up.
  - **Mitch Bowling, Dan Meyer m/s/c to approve YTD2020 financials and put them on file.**
  - **CPA review letter shared with Board members. Jamie Jonker, Juan Romero m/s/c to accept letter.**
- 2021 Proposed budget presented using current dues levels.
  - **Dan Meyer/Jamie Jonker m/s/c to approved proposed budget as presented.**

#### **VIII. Committees for 2020**

- Nominating Committee: Adam Brock, Dairy Farmers of Wisconsin; Amandeep Dhillon, Grande; Chris Allen, Dairy Farmers of America
- Membership Committee: Jamie Jonker, Jackie Page, Anand Rao, Chris Allen, John Kelly and Allen Sayler all agreed to serve another year. Anyone else interested should contact Deb.
- Shawna thanked the Membership committee for their current work to-date.

Meeting temporarily adjourned at 12:40 until 9/30/2020 at 10:00

Meeting reconvened on 9/30/2020 at 10:10

#### **IX. US-IDF Business related to IDF Work**

- **Science and Program Coordination Committee (SPCC) report – Jamie Jonker**
  - IDF COVID Survey – Developed to gain insight, at this point in time, the impact of COVID to the dairy sector and if there were learnings to share globally. US-IDF responded to the multipart survey. 21 NCs replied with the impact to dairy being mixed. The virus impacted different parts of the world at different times and different stages. A report for internal use is being developed. Many be able to use some of the learnings, for the Food Summit, related to resiliency of food manufacturing industry. There may be a follow up survey Q1 of 2021.
  - Updating Constitution and Rules of Order
  - Priority topics for 2021 being reviewed as well as New Work Items from the various Standing Committees.
- **Standing Committee updates**
  - Codex meetings – Nick Gardner, Jamie Jonker
    - some being held virtually; Codex asking only delegates that disagree to proposals to weigh in.
  - Nutrition/Health – Amy Boileau on behalf of Michelle Slimko
    - Developing Nutrition Symposium for 202; topics: global dietary guidelines, emerging science on health, food sector and sustainability.
    - Fact sheet on Immune health and role of dairy

- Food Additives - Allen Saylor
  - Work continues on aligning additives found within Codex food standards into the GSFA. With no Process cheese standard, the US needs to make sure we get appropriate list of colorants included; Sweeteners – EU doesn't allow sweeteners in dairy analogs
  - US needs to make sure our needed additives are included in the alignment, so our export opportunities aren't hindered. IDFA is working with its members to get feedback.
  - There will be a change in SC chair due to Allen moving to SPCC role. Allen recommends Nick Gardner be considered for this role.
- MSSG/AMAC/RCC – Nate Banner, John Allan
  - Analytical Week 2021 will be held virtually
- Dairy Policy/Economics – Shawna Morris
  - Committee is struggling with finding work items; the US proposal on cheese varietal study was dropped due to lack of consensus
- Standards/Labeling – Nick Gardner
  - Codex request for comments on Front of Pack Nutritional Labeling (FOPNL) are due in October
  - Request for comments on taxation of nutrient labeling will be coming soon
  - Nitrogen Conversion Factor – work continues; slow going
  - There is work to move IDF's role to one of more advocacy of the science
- Dairy Science/Technology – Bill Graves
  - Fact sheet – What is cheese; styles and varieties. US-IDF brought a US voice to what was a Eurocentric piece
  - Fact sheet – Nitrites in cheese (Praveen Upreti drafted this fact sheet)
  - Ultra Processed Foods – need to lay out technologies used in manufacturing dairy to support efforts in this area to explain the difference between manufacturing and processed.
  - Emerging topics: microplastics; digital technologies
- Environment – Ying Wang
  - Dairy Declaration of Rotterdam (support of FAO dairy sustainability goals) – identifying which of the goals dairy will report on and how:
    - #2 Zero hunger (SCNH taking the lead to develop indicator)
    - #12 responsible production and consumption
    - #13 climate
    - For #12 and #13, IDF is collaborating with Dairy Sustainability Framework (DSF) to avoid duplication of efforts
  - IDF Ecosystem Service – survey to National committees for feedback; results will be used to develop a New Work Item (NWI) for 2021; US-IDF provided reply. Thanks to Jamie, Ying.
  - LCA monitoring – carbon sequestration model being worked on to ensure the US form of production is included; Hopefully first draft soon. Jamie Jonker explained importance of having US expertise for the methodology development since original model was only focused on pasture/grazing. We need a level playing field in the data by having more US type farming methods in the model. Thanks to DMI for getting involved on behalf of US dairy.
- Farm Management – Jamie Jonker
  - Updated 2020 Dairy Farmer Round Table, converting it to virtual event. Would be nice to get more US participation. Marilyn Hershey, DMI chair, participated last year; agreed to do so again this year
  - Reproductive technology fact sheets: Genomics – published; Reproductive hormones – to be published soon. Jonker and Handelman from NMPF were involved in the Action Team. The next two topics: embryo transfer and artificial insemination. Target audience for these fact sheets: farm audiences, customers, public. Fourteen topics have been identified for the series, with work done on two at a time.
- Animal Health/Welfare – Jamie Jonker
  - NWI 2020 on calf management for birth to weaning – US worked to broaden the scope of this item to be more focused on animal health and welfare systems. Currently 3 US experts involved from DFA and NMPF.
  - IDF Animal Health report to published in October – US submitted information on the Dairy Farm Animal Care program.
  - Potential NWI for 2021 on heat stress
- SC Stats and Automation – Torben Pedersen
  - No NWIs; mostly finishing up current work
  - SCC – IDF/ISO standard for labs to use in calibration

- Micro Hygiene – Allen Saylor
  - The Codex Committee on Food Hygiene is very active
  - Biological food borne issues paper at Step 5
  - New work on reuse of water in food production
  - Need more US involvement
  - June: IDF published bulletin on process monitoring (free on IDF website)
- Review of US-IDF 2020 Priority Items and Setting 2021 Priorities
  - While all work of IDF has importance, this is the list of items that align with needs of the US dairy sector for 2020:
    - Front of Pack Labeling (FOPL)
    - Nitrogen Conversion Factor (NCF)
    - Carbon Sequestration
    - Food Additives (alignment process)
    - Ultra-Processed Foods (UPF)
    - WHO
    - Antimicrobial Resistance
    - Residues and Chemical Contaminants (RCC)
  - Additions/updates for 2021
    - Add UN Food Systems Summit
    - NCF could be removed: IDF position is to argue for status quo; No JEMNU scheduled
    - Update RCC to Chlorates and Detergents
    - Add to Food Additives: colorants
    - UPF and FOPL are still high priority; dairy industry needs to be at the table to define UPF
    - WHO: continue to work with IDF on importance of advocacy and engagement especially in areas tied to nutritional approach and nutrient value
  - New work items for 2021 – none were brought forward

## X. IDF Business

- IDF elections – reviewed contested seats
  - SPCC Technology: **Chris Thompson, Bill Graves m/s/c to support David Everett, NZ**
  - SPCC Dairy Sector farming: **Jamie Jonker, Dan Meyer m/s/c to support David Cotton, UK**
  - Chair, SCFA – Nick Gardner is interested however he already is Deputy chair of SCSIL and wants to retain that seat. Deb to check if a person can hold leadership roles on two Standing Committees. If not an issue, **Jamie Jonker, Allen Saylor m/s/c to support Nick for chair of SCFA.**
  - With Jamie Jonker being uncontested for SPCC chair, that results in his current role on SPCC Animal Health being open.
- Prep for General Assembly
  - Shawna provided status on IDF Constitution and Rules of Order updates
  - **Jamie Jonker, Nick Gardner m/s/c to support Shawna Morris and John Allan as Delegate and Alternate delegate to General Assembly.**
- Standing Committee meeting coverage – Deb will circulate spreadsheet for everyone to sign up for those SCs they will be attending. Leads for each meeting will then be identified, and composite list circulated back to everyone for reference and reporting.
- Will schedule a report out call for after completion of all business meetings. Date TBD.

## XI. **Meeting Schedule for 2021**

- Spring Annual meeting – conference call: week of April 12, 2020
- Fall Education/Membership meeting – TBD once we know more about IDF fall meeting plans
- Quarterly program area calls – TBD (John Allan and Deb working on this)

## XII. . **Adjourn**

Meeting adjourned at 12:20pm.

Respectfully submitted,

Debra Wendorf Boyke  
National Secretary



# US-IDF Fall Membership Meeting September 29 – 30, 2020

## Day One of US-IDF Meeting

Tuesday, September 29 ◆ 10:00 – 12:30 CT  
ZOOM call

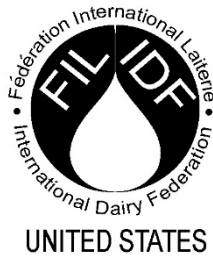
- 10:00 Welcome**
- 10:10 What is the significance of the UN Food Systems Summit**  
--A look at the potential impact and the ongoing work to positively position US dairy  
Nick Gardner, USDEC; Greg Miller, DMI; Kevin Burkum, GDP
- 10:55 Call meeting to order/review of Agenda**
- Approval of March 20, 2020 Minutes
  - Chairperson report
  - National Secretary report
  - Membership committee report and dues recommendation
  - By Laws update
  - Financial report
    - 2020 YTD
    - CPA's 2019 Review
    - 2021 proposed budget
  - Appoint 2021 US-IDF Nominating Committee
  - Membership Committee for 2021
- 12:30 Adjourn until Wednesday**

## Day Two of US-IDF Meeting

Wednesday, September 30 ◆ 10:00 – 12:30 CT

- 10:00 Reconvene meeting** S. Morris
- US-IDF Business related to IDF work
    - Priority topics for 2021
    - SPCC update
    - Program of Work – SC reports from meetings held since March
    - Any U.S. New Work Items for discussion
  - IDF Business
    - IDF Elections
    - Other General Assembly items needing discussion
    - US-IDF Delegates to General Assembly
    - SC Meeting Coverage
  - Meeting schedule
    - IDF Business meetings report out call date
    - Spring 2021 Annual Meeting conference call date
    - Fall 2021 Membership meeting date
    - Quarterly program area calls
- 12:30 Adjourn**

*NOTE: there will be a 15-minute break at 11:15 CT each day*



## **Financial Report Year-to-Date 2020 September 8, 2020**

### *Balance Sheet Narrative*

#### Assets

- The assets reflect the business checking and money market accounts held by US-IDF.
  - The TD Ameritrade account principle is listed as the investment in stock.
- The Balance Statement through September 8, 2020, is \$325,778.
- At \$325,778 assets US-IDF continues to remain strong at 2.2 times yearly operating expenses in assets.

### *Income Narrative*

#### Membership Dues Update

- \$120,900 of dues income has been received as of September 8, 2020, which is 106% of budget.
- All membership dues invoiced were paid as of September 22, 2020. The last payment is not reflected in the attached September 8, 2020, financial statements.
- Three new or returning corporate members have resulted in membership revenue projected to be up \$9,900. The FY 2020 budget is \$114,300 with the projection at \$124,200 membership revenue.
- Potential new member prospects, as identified, will be provided information regarding US-IDF membership and activities as on-going recruitment efforts.

#### Interest

- Interest for the money market, short-term CDs, and dividends is \$3,041 as of September 8, 2020. Interest rates have significantly decreased in recent months which will impact interest income for the remainder of 2020. The CDs were renewed in mid-June with rates at .25% for a term of 12 months with a maturity date of June 16, 2021. The estimated income is expected to be (\$1,700) less than budget for the remaining of FY 2020.

### Investment

- The TD Ameritrade account balance is available through September 8, 2020. The account has decreased in value by (\$3,107) which is -311% of budget. This is a paper change in income. Market conditions will continue to be extremely variable for the rest of FY 2020. This amount of change has to be included on the operating income and flows through to the balance sheet as an asset.

### Income Summary

- Income is for the first 8 plus months of FY 2020.
- Subscription income is \$620 less than budget as of September 8, 2020. Any further costs for subscriptions will be reflected in the 2020 expenses when they are billed from IDF, which should be in December.
- Interest rates for CDs will be significantly lower in the short and mid-term.
- The paper gain on investments is currently (\$3,107), which is a \$4,107 variance of the budgeted amount of \$1,000 for FY 2020.

### *Expense Narrative*

#### IDF Dues

- IDF Brussel dues were paid in February with the conversion resulting in \$5,308 less than budget.

#### Subscription/Publications

- The IDF invoice for Subscription/Publications was \$2,627 which was \$127 more than budgeted.

#### Internet/Web Site

- The website framework and members only section is in the work plan with progress being made. Following up with the membership committee recommendations and planned updates will occur by the end of 2020. Additional resources will be required for the total proposed website updates.

#### Professional Fees

- Professional fees are more than budgeted due to legal review of the Bylaws and Conflict of Interest.

#### Other

- There are 8 plus months of reporting in Year-To-Date 2020. At this point, most expenses are on budget and projected to be close to budget. Meeting and travel expenses most likely will not occur as meetings have been held virtually or cancelled due to the COVID-19 pandemic.

*Projection for 2020*

- The Net Margin is currently \$17,364 through September 8, 2020.
- The income on operations is projected at \$7,400 above budget. The gain on investments is projected at (\$4,100). The Total Income is projected at a net of \$3,275 more than budget.
- The expenses are close to YTD budget with the exception of the IDF Brussels dues being \$5,308 less than budget. The budgeted travel for meetings and seminars expenses is \$16,000. If meetings and travel do not occur, the FY 2020 Total Expenses margin is projected at a positive \$1,000.
- The projected US-IDF assets of \$327,498 at the end of FY2020 is at 2.2 times yearly operating expenses which is a very stable set of financial statements.



**US-IDF**  
**Balance Sheet**  
As of September 8, 2020

	<b>Sep 8, 20</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1025 · Business Checking-Park Bank	32,462.61
1026 · Money Market Acct-Park Bank	77,168.39
1350 · Investments-CD	202,652.52
<b>Total Checking/Savings</b>	312,283.52
<b>Total Current Assets</b>	312,283.52
<b>Other Assets</b>	
1300 · Investments-Stock	13,494.00
<b>Total Other Assets</b>	13,494.00
<b>TOTAL ASSETS</b>	<b>325,777.52</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
3900 · Unrestricted	308,413.42
Net Income	17,364.10
<b>Total Equity</b>	325,777.52
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>325,777.52</b>

**US-IDF**  
**Financial Standing Budget vs. Actual**  
 January 1 through September 8, 2020

	<u>Jan 1 - Sep 8, 20</u>	<u>Budget</u>	<u>Actual Minus Budget</u>	<u>Budget % of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>4000 · Membership Dues</b>	120,900.00	114,300.00	6,600.00	105.77%
<b>4100 · Subscription/Publications</b>	2,880.00	3,500.00	-620.00	82.29%
<b>4200 · Interest/Dividend</b>	3,040.59	4,800.00	-1,759.41	63.35%
<b>4400 · Misc</b>	0.00	200.00	-200.00	0.0%
<b>4500 · Unrealized gain on investments</b>	-3,107.00	1,000.00	-4,107.00	-310.7%
<b>Total Income</b>	<u>123,713.59</u>	<u>123,800.00</u>	<u>-86.41</u>	<u>99.93%</u>
<b>Expense</b>				
<b>5010 · IDF Dues</b>	51,817.23	57,125.00	-5,307.77	90.71%
<b>5020 · Subscriptions/Publications</b>	2,627.44	2,500.00	127.44	105.1%
<b>5030 · Memberships</b>	0.00	450.00	-450.00	0.0%
<b>5040 · Professional Fees</b>	5,376.00	3,000.00	2,376.00	179.2%
<b>5050 · Postage</b>	2.00	200.00	-198.00	1.0%
<b>5060 · Printing and Copies</b>	127.83	300.00	-172.17	42.61%
<b>5100 · Office Supplies</b>	345.52	500.00	-154.48	69.1%
<b>5200 · Rent/Utilities</b>	1,638.72	2,185.00	-546.28	75.0%
<b>5400 · Telephone/Fax</b>	1,282.05	1,450.00	-167.95	88.42%
<b>5500 · Internet Services</b>	2,405.00	6,500.00	-4,095.00	37.0%
<b>5600 · Bank Charges/Tax/Fees</b>	503.54	700.00	-196.46	71.93%
<b>5700 · Insurance</b>	474.13	2,750.00	-2,275.87	17.24%
<b>5800 · Board/Membership Mtgs</b>	0.00	2,000.00	-2,000.00	0.0%
<b>5810 · Educational Seminars</b>	0.00	2,000.00	-2,000.00	0.0%
<b>5900 · Staff Travel</b>	0.00	12,000.00	-12,000.00	0.0%
<b>6115 · Contracted Management Services</b>	39,750.03	53,000.00	-13,249.97	75.0%
<b>Total Expense</b>	<u>106,349.49</u>	<u>146,660.00</u>	<u>-40,310.51</u>	<u>72.51%</u>
<b>Net Ordinary Margin</b>	<u>17,364.10</u>	<u>-22,860.00</u>	<u>40,224.10</u>	
<b>Net Margin</b>	<u><u>17,364.10</u></u>	<u><u>-22,860.00</u></u>	<u><u>40,224.10</u></u>	

**US-IDF**  
**Discussion Points for 2021 Budget**  
**Proposed Membership Dues Rates**  
September 22, 2020

**Income**

Organization Financial Standing

US-IDF has a solid reserve position of 2.2 times the annual operating budget. The established threshold is a 24 month (2.0 times) operating budget reserve which would be about \$280,000 in 2021.

FY 2021 Dues Income Projections

FY 2021 US-IDF Membership Dues Income projection for FY 2021 with Membership Dues Rates based on Membership Committee recommendations estimated for member numbers per Category and Level:

Membership Category and Level	Proposed Dues Amount	Projected Number (100% retention)	Budget Numbers for 2021 Budget
Cat I – 1	\$2,000	3	\$6,000
Cat I – 2	\$3,500	2	\$7,000
Cat I – 3	\$5,000	13	\$65,000
<b>Total Cat I</b>		18	\$78,000
Cat II – 1	\$7,000	6	\$42,000
Cat II – 2	\$3,000	0	\$0
Cat II – 3	\$1,500	2	\$3,000
<b>Total Cat II</b>		8	\$45,000
Cat III - 1	\$1,500	7	\$10,500
Cat III - 2	\$750	0	\$0
Cat III – 3	\$750	0	\$0
<b>Total Cat III</b>		7	\$10,500
<b>Member Totals</b>		33	
<b>Total Income</b>			\$133,500

Other income notes

Interest income had increased with short term CDs as the investment vehicle in the previous 18 months. The current CDs came due in June 2020 and were renewed. The rates have made significant decreases and currently are at 0.25% for 12 months ending in June 2021.

Money Market rates are currently very low, so the money market account is used for short-term cash flow and has an interest rate 0.25%.

Interest and dividend income is projected at \$3,300 for FY 2020 with the expectation to achieve a much lower level of income in 2021. Thus a reduction in Interest/Dividend Income is budgeted.

#### Investment notes

Current stock investments will be a loss (on paper) for 2020 based on current market projections. A small rebound is expected for FY 2021. This income has to be included in the operating income, but is not readily available.

#### Total Revenue

Total revenue for FY 2021 will be \$10,000 more from the actual in FY 2020.

#### Expenses (most expenses stable from 2019 and 2020 amounts)

##### 2021 IDF Dues

IDF dues to Brussels for 2021 are expected to remain the same € amount according to IDF-Brussels.

##### IDF-Brussels dues assumptions:

€47,100 (based on 2020) and no increase = €47,100

€47,100 X 1.22 exchange rate = \$57,462 expense for FY 2021

FY 2020 actual dues cost was \$51,817. FY 2021 IDF dues are estimated as an increase of \$5,645 based on the estimated exchange rate for a total of \$57,462.

##### Subscriptions and Publications

Publication sales have been very small for the last five years. These orders have a small margin to US-IDF. Receiving timely billing from IDF Brussels will continue to be pursued.

##### Internet Services/Web Site

There was an increase of \$4,500 in FY 2020 for an updated and improved functionality of the US-IDF web site. The amount budgeted for 2021 will be less as updates will be completed in FY 2020.

##### Insurance

Coverage was reviewed for Director's and Officer's (D and O) and Employee Practices Liability Insurance (EPLI) policies at \$1 million with no deductible. This is renewing at the same rate.

### Staff Travel

FY 2021 estimates include registration fees, lodging and airfare for the 2021 World Dairy Summit (location to be confirmed), a yearly IDF National Secretaries' mid-year meeting (additional meeting started in 2013 and continuing) plus travel to US-IDF Fall meeting and Educational Session. The current COVID-19 pandemic has travel at a standstill, which has been replaced by calls, video meetings and webinars. Travel is expected to open up with an undetermined date sometime in quarter 2 or 3 of 2021.

### Management Fee

\$53,000 for FY 2021 through the budgeting process for the contracted services provided by ReQuest Ltd.

### **Overall Results**

#### Overall Results of the Proposed FY 2021

The overall results of the Proposed FY 2021 US-IDF Budget are a margin of a negative \$8,260.

**US-IDF Financial Standing 21 Budget - 20 Projection**  
**Proposed FY 2021 Budget Dues Rates Recommended by Membership Committee**  
**Sept 22, 2020**

	<u>20 Budget</u>	<u>20 Proj</u>	<u>21 Budget</u>	<u>21 Budget minus 20 Proj</u>	<u>21 Budget vs 20 Proj as %</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
4000 · Membership Dues	114,300	124,200	133,500	9,300	107.5%
4100 · Subscription/Publications	3,500	3,500	3,500	0	100.0%
4200 · Interest/Dividend	4,800	3,300	1,500	-1,800	45.5%
4400 · Misc	200	0	200	200	0.0%
4500 · Unrealized gain on investments	1,000	-2,750	500	3,250	-18.2%
<b>Total Income</b>	<u>123,800</u>	<u>128,250</u>	<u>139,200</u>	<u>10,950</u>	<u>103.6%</u>
<b>Expense</b>					
5010 · IDF Dues	57,125	51,817	57,475	5,658	110.9%
5020 · Subscriptions/Publications	2,500	2,600	2,500	-100	96.2%
5030 · Memberships	450	450	450	0	100.0%
5040 · Professional Fees	3,000	6,000	3,000	-3,000	50.0%
5050 · Postage	200	25	200	175	800.0%
5060 · Printing and Copies	300	200	300	100	150.0%
5100 · Office Supplies	500	450	500	50	111.1%
5200 · Rent/Utilities	2,185	2,185	2,185	0	100.0%
5400 · Telephone/Fax	1,450	1,700	1,900	200	111.8%
5500 · Internet Services	6,500	6,500	6,500	0	100.0%
5600 · Bank Charges/Tax/Fees	700	550	700	150	127.3%
5700 · Insurance	2,750	2,100	2,750	650	131.0%
5800 · Board/Membership Mtgs	2,000	0	2,000	2,000	100.0%
5810 · Educational Seminars	2,000	0	2,000	2,000	100.0%
5900 · Travel	12,000	0	12,000	12,000	100.0%
6115 · Contracted Management Services	53,000	53,000	53,000	0	100.0%
<b>Total Expense</b>	<u>146,660</u>	<u>127,577</u>	<u>147,460</u>	<u>19,883</u>	<u>115.6%</u>
<b>Net Ordinary Margin</b>	<u>-22,860</u>	<u>673</u>	<u>-8,260</u>		
<b>Net Margin</b>	<u><u>-22,860</u></u>	<u><u>673</u></u>	<u><u>-8,260</u></u>		



**National Secretary Report – March 2020 – September 2020  
(not inclusive)**

1. IDF surveys/questionnaires
  - a. Four (4) Questionnaires (8 total this year)
2. IDF surveys
  - a. COVID - 19 impacts
  - b. Ecosystem services and dairy
  - c. Method for measuring impurities in milk/powders
3. Standing Committee work
  - a. Coordination of requests for input crossing multiple SCs
  - b. Food additives/colorants webinar and follow up
  - c. Systematic review of several methods
4. Global work
  - a. Circulation of observer reports and comments papers
5. IDF administrative
  - a. IDF President, SPCC second circular, SPCC Chair Circulars and follow up communications
  - b. Input on IDF constitution update
  - c. WHO funding request follow-up
  - d. TF Plant Based Beverages communications webinar
  - e. Input into IDF strategy request
  - f. Nominations to IDF Task Force Food Summit
6. US-IDF
  - a. Circulate Questionnaire summaries to SCs
  - b. Preparations for Exec committee and Board/membership meetings
  - c. Multiple member requests for information
  - d. Work related to new members and additional information
  - e. US-IDF member Orientation webinar
  - f. Monthly touch point calls with Chair
  - g. TAG follow up with Wendy W
  - h. Membership Committee meetings and work
    - i. Brochure
    - ii. Website
  - i. Work with John Allan on member engagement idea

# **US-IDF Membership Committee**

## **Recommendations on Membership Dues**

**August 31, 2020**

### **Introduction:**

The US-IDF Membership Committee has deliberated on the current membership dues structure since November 2019 through a number of conference calls and email exchanges. This effort was led by Jamie Jonker (NMPF) with input from all Committee members as well as recent input from Jay Mattison, who provided dues income projections based on our final recommendations. Immediately below are some key considerations we utilized in arriving at our recommendations for the US-IDF membership dues categories, levels within categories and dues amounts for each level.

1. The year, 2020, was and still is very challenging financially for the US dairy industry, mostly based on the impact of COVID, the current administration's trade policy with China and bankruptcies by a couple of the largest US dairy processing companies, making any increase in US-IDF dues particularly challenging at this time.
2. The sustaining category of membership dues ("B" below) was established in the past to cover the annual US-IDF membership dues to IDF. Our recommendations for this category are intended to maintain this past practice.
3. The target budget for US-IDF expenses is approximately \$140,000 per year.
4. Addition efforts to recruit new US-IDF members from the individual US dairy companies is a priority of the Membership Committee, with the foundation being laid earlier in 2020 and the membership recruitment strategy being implemented starting in September 2020. We are hopeful this will have a positive impact on the overall dues income for 2021.

### **RECOMMENDATION:**

It is our recommendation that the new dues structure and annual dues amounts be implemented starting with the 2021 Dues statements, which will be emailed out at the end of 2020. It is very important that a brief explanation be drafted that is included in the 2021 US-IDF Dues notices identifying that the current structure and levels have been in-place for a long time and many fundamentals in the US dairy industry have changed over this time period and that the US-IDF has been running a deficit budget every year for the past 6 years. We would be happy to make a short presentation to the US-IDF membership and Board, if requested.

### **Membership Committee Dues Recommendations:**

**A.** Existing US-IDF Membership **Category I - Corporate** and includes all corporations, cooperatives, partnerships, limited liability companies, and sole proprietorships. Current Annual Dues – \$3,300

#### **Gross Annual Sales – past calendar year (needs to be self-declared)**

1. \$0 million - \$10 million - \$2,000 annually
2. \$10 million - \$100 million - \$3,500 annually
3. > \$100 million - \$5,000 annually

#### **Dues Partial Reduction for New US-IDF Members:**

- First year – 10 %
- Second year and after – full dues



**B. Existing US-IDF Membership Category II - Sustaining** and includes state, regional, national, and international dairy product trade, scientific and/or promotion organizations.

Current Annual Dues – \$6,600

**Number of Companies:**

1. National Organizations - \$7,000 moving to \$7,500 in 2022
2. Regional Organizations (multiple states) - \$3,000 moving to \$3,500 in 2022
3. State Organizations - \$1,500 moving to \$2,000 in 2022

**Dues Partial Reduction for New US-IDF Members:**

- First year – 10%
- Second year and after – full dues

**C. Existing US-IDF Membership Category III - Institutional** and includes universities, colleges, and government departments or agencies (see Section 1 of the Bylaws).

Current Annual Dues – \$1,450

**Categorization based on span of operations, membership and/or organizational mission and vision:(needs to be self-declared)**

1. Federal Government Membership - \$1,500 going to \$2,000 in 2022
2. State Government Membership - \$750 going to \$1,000 in 2022
3. Academic Institutions - \$1,500 going to \$2,000 in 2022

**D. Existing US-IDF Membership Category IV - Honorary/Lifetime** and includes individuals who are nominated and elected by a majority vote of the Board. **Current Annual Dues – complimentary. No changes recommended.**

**Membership Dues Financials (based on Membership Committee Recommendations above)**

Membership Class and Level	Current Dues Amount	2021 Proposed Dues Amount	2022 Proposed Dues Amount	2020 Membership	2020 Membership within New Levels & 100% retention	2021 Projected Dues Income Using Existing Dues Categories and Amounts	2021 Projected Dues Income Using Recommended Dues Categories and Amount	2022 Projected Dues Income Using Recommended Dues Categories and Amount
Cat I – 1	\$3,300	\$2,000	\$2,000	19	3	\$62,700	\$6,000	\$6,000
Cat I – 2	\$3,300	\$3,500	\$3,500	0	2		\$7,000	\$7,000
Cat I – 3	\$3,300	\$5,000	\$5,000	0	13		\$65,000	\$65,000
<b>TOTAL FOR CATEGORY I</b>						\$62,700	\$78,000	\$78,000
Cat II – 1	\$6,600	\$7,000	\$7,500	8	6	\$52,800	\$42,000	\$45,000
Cat II – 2	\$6,600	\$3,000	\$3,500	0	0		\$0	\$0
Cat II – 3	\$6,600	\$1,500	\$2,000	0	3		\$4,500	\$6,000
<b>TOTAL FOR CATEGORY II</b>						\$52,800	\$46,500	\$51,000
Cat III - 1	\$1,450	\$1,500	\$2,000	6	5	\$8,700	\$7,500	\$10,000
Cat III - 2	\$1,450	\$750	\$1,000	0	1		\$750	\$1,000
Cat III - 3	\$1,450	\$1,500	\$2,000	0	0		\$0	\$0
<b>TOTAL FOR CATEGORY III</b>						\$8,700	\$8,250	\$11,000
Cat IV (no changes)						-----	-----	-----
<b>TOTAL DUES – EXISTING VS. PROPOSED</b>						\$124,200	\$132,750	\$140,000

