



**Northwest
Grain
Growers**

2018 Annual Meeting Minutes of Northwest Grain Growers, Inc.

November 19, 2018

The 20th annual meeting of Northwest Grain Growers was held on Monday, November 19th, 2018 at the Community Center at the Walla Walla Fairgrounds with approximately 470 in attendance.

Following dinner, President Scott Ford called the business meeting to order at 7:30pm.

A check for \$500 was presented to the Waitsburg FFA chapter for their help in serving dinner.

Board members present at the annual meeting were introduced by President Scott Ford: Dan McKinley, Brad Tompkins, Ed Chvatal, Gary Miller, Rick Repp, Jason Huntley, Mike Hand & Byron Seney. Absent: Rhonda Barker, Jesse McCaw, Jason Beechinor & Nathan Rea.

Scott announced that Jason Beechinor, Jesse McCaw & Brad Tompkins have reached their final term limit on the Board of Directors. Scott thanked each of them for their many years of service and presented Brad with a retirement gift.

Following motion duly made and seconded, the minutes of the 2017 annual meeting were approved as written.

The Nominating Committee of Todd Kimball & Casey Perkins (Southern district), Pat McConnell & Jason Hair (Central district), David Carlton & Mike Talbott (Eastern district), and David Hamilton & Rod Mills (Northern district) met on September 20, 2018 and submitted the following names to stand for election in their district. The committee nominated Eric Cochran, Greg Ferrel & Ben Maney for the Southern district, Kevin Chabre & Lori Stonecipher for the Central district, Brett Lambert & Byron Seney for the Eastern district, and Rick Repp for the Northern district. President Ford announced ballots were sent out in November and asked if anyone present still needed a ballot. Scott recognized Minnick-Hayner as the ballot counting committee and that they would gather additional ballots delivered in person at the meeting and retire to finish tabulating the vote count.

Scott Ford gave the President's report. Scott started off by discussing a few changes the Board made over the past year including updating the company logo and selecting a new accounting firm. After hearing presentations from three different Northwest audit firms the Board ending up selecting Leffel, Otis and Warwick for future accounting work. He thanked CLA for their hard work and commitment to NWGG for many years. CLA did finish the audit work through FYE April 30, 2018. CLA issued a clean opinion as stated in the financial statement "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest Grain Growers, Inc. as of April 30, 2018 and 2017, and the results of its operations and its cash flows for the year then ended in accordance with U.S. GAAP." Scott reported the

profit for the year ending April 30, 2018 was \$5.2 million, before income taxes, on total sales of \$287 million. Of NWGG's total profit of \$5.2 million, \$729,000 was nonmember business. The balance of \$4,471,000 in profit was allocated 60% in cash and the balance in patronage certificates. The total qualified patronage allocation was \$.12 per bushel returned on wheat marketed and seed wheat received back \$1.15 per bushel purchased. The cash portion of \$2.6 million was paid in July. This past March, NWGG paid 2012 year's patronage totaling \$1,700,000, which leaves just 6 years of unpaid patron's equity. The Robert Abbey memorial scholarship is given by NWGG in memory of Bob Abbey. Currently NWGG awards up to five \$1,000 scholarships renewable for four years. Blue Mountain Community Foundation now manages the scholarships for NWGG. The recipients of this year's scholarships were: GraceAnn Case, Hannah Kromm, Bow Maiden & Caitlin McGreevy. Your board of directors approved donating \$100,000 of our non-member profits to local charities again this year with the priority of helping women and children in our draw area, the local junior livestock fair sales and FFA clubs.

General Manager Chris Peha gave the manager's report. Chris gave an update on the Spring Valley bin collapse and weaving together the merger between NWGG and Whitgro. He updated the membership on the UP 110 car shuttle loader that NWGG is building in Endicott and explained why the Board decided to borrow \$8 million dollars in long term debt this summer to help finance the shuttle loader and hedge short term interest rates. Chris finished up his presentation showing pictures from his recent trip to Asia with the Washington Grain Commission to promote our member's wheat overseas.

The winner of the Guess the Price of Wheat contest was announced. John Mobbs was the first-place finisher and he won \$100 and a new NWGG jacket, Lisa Lucas and Emily Rea came in tied for second place and each took home \$50 cash and new coats for their efforts.

During the meeting, Scott gave away 6 NWGG coats as door prizes with our new logo embroidered on the chest.

The meeting concluded with the announcement of the board of director election results. *Elected to three-year terms were Eric Cochran from the Southern district, Lori Stonecipher from the Central district, Byron Seney from the Eastern district and Rick Repp from the Northern district.*

There being no further business, the meeting was adjourned by Scott Ford at 8:30 PM.

After the meeting, the board met for reorganization and elected the following officers to one-year terms: President – Rhonda Barker, 1st Vice President – Dan McKinley, 2nd Vice President – Nathan Rea & Secretary – Jason Huntley. Chris Peha was appointed Treasurer.

Respectfully submitted,

Dan McKinley,
Secretary