

June 8, 2022  
MPIC Commissioner Meeting  
Greenstone FCS, East Lansing  
Agenda

10am Call to Order

- I. Comments from the Public on Agenda Items
- II. **Consent Agenda Items**
  - a. Adoption of Minutes from February 2, 2022, Commission Meeting
  - b. Place financial statements from April 2022 on file
  - c. Acknowledge the annual MDARD audit review and place on file

*The Consent Agenda is to address agenda items that likely do not need any discussion or debate. These items will be approved together. Anyone can request that an item be removed from the Consent Agenda and will be placed later in the agenda. **It will be assumed that all Commission members have read the information relating to each recommendation and have asked any pertinent question prior to the Commission meeting.** Questions can be directed to the noted staff person.*

- III. Executive Director Report and Summary of Budget
- IV. Action Items
  - i. Action to establish **Executive Director Salary**
  - ii. Action to adopt **FY23 MPIC Budget**
  - iii. Action to establish **Assessment Rate on 2022 Crop**
  - iv. Action to set **dates for the next calendar year meetings**
  - v. Action to approve **Potatoes USA Board Appointment**
- V. Strategic Discussions
  - i. Review of Policy 4.0 - Global Governance-Management Connection
  - ii. Review 2022 Commission Appointment Process
- VI. PGMI Report—President, Dennis Iott
- VII. MDARD Report
- VIII. MSU Report
- IX. Comments from the Public on non-Agenda Items

Adjourn

*The Michigan Potato Industry Commission (MPIC) reminds all participants at its meetings that certain topics are not proper subjects for discussion and consideration at any MPIC meetings of members, officers, directors, committees, or competitors whether formal or informal. While it is entirely appropriate to meet to discuss common problems and areas of interest, it must keep in mind that participants may be competitors and any action taken to eliminate, restrict, or govern competition can be a violation of the anti-trust laws. If there is any discussion at a MPIC meeting relating to significant factors of competition among the members, an inference may be raised that such a discussion among competitors is for agreeing upon a common course of business conduct.*

*Among the subjects which should never be discussed at MPIC meetings are conditions; terms or prices of products or services; allocating or sharing customers; or refusing to deal with a supplier or class of suppliers. Agreements among competitors relating to any of these subjects can be per se violations of the antitrust laws and can lead to criminal and civil penalties.*

*It is essential that all necessary steps be taken by those attending a MPIC meeting to prevent the meeting from becoming a forum for discussions which might lead to an understanding or agreement, expressed or implied, with respect to any element of competition.*

*MPIC is an equal opportunity employer.*

## Michigan Potato Industry Commission Meeting Minutes

February 02, 2022, Amway Grand Plaza Hotel, Grandview Room, Grand Rapids, MI

MPIC Members Present: Travis Horkey Chairman, Jon Yoder, Phil Gusmano, Matt Wilkes, Don Kitchen, Becky Williams, Ben Sklarczyk (via Zoom), Chis Long (MSU), Dave Douches (MSU)

MPIC Members Absent: Guthry Laurie, Matt Skogman

Guests: Kelly Turner (MPIC), Kirk Potter, Sarah Kitchen, Dylan Kitchen, Stephanie Kipp, Casey Carr

Meeting called to order by Chairman, Travis Horkey at 10:10 am

### Approval of Agenda

**Motion made by Phil Gusmano to accept agenda as amended by adding the use of MPIC as a fiduciary for PGMI's well monitoring network legislative proposal, consideration of a credit card for the Education and Outreach Specialist position, and selecting nominees for commission appointments, supported by Don Kitchen, motion carried.**

No public comment on agenda items.

### Approval of Minutes

**Motion made by Jon Yoder, seconded by Phil Gusmano to approve the minutes from December 15-16, 2021, meetings, motion carried.**

### Review of financial statements

**Motion by Matt Wilkes to place the December financial statements on file, supported by Jon Yoder, motion carried.**

### Determine final updates MPIC Global Ends Policy

#### **MPIC Ends Proposed Revision for approval** (changes in yellow highlight)

**1.0 An economically viable potato industry in Michigan *at the cost of managing risk and maintaining our ability to respond to disruption, rising needs, and market shifts.***

1.1 Members experience greater profitability.

1.1.1 Research identifies adaptive technology and innovation for the industry to optimize production, **create positive disruption** and create greater affordability.

1.2 Customers, team members, communities and universities coordinate to insure a sustainable future.

1.2.1 Members have successor ownership plans for long-term sustainability of the Michigan industry.

**1.2.2 Joint research initiatives inspire members to contribute significant resources to assure focus on potato research efforts.**

**1.3 University-private partnership research evolves to best serve the Michigan potato industry into the future.**

## **Michigan Potato Industry Commission Meeting Minutes**

February 02, 2022, Amway Grand Plaza Hotel, Grandview Room, Grand Rapids, MI

**Motion by Jon Yoder, seconded by Don Kitchen to accept the updated language (highlighted in yellow) to the Global Ends Policy 1.0, motion carried.**

### Research Committee Recommendation Review

*Committee Recommendation: Re-appoint existing committee members, with Stephanie Kipp continuing as chair.*

**Motion by Phil Gusmano, seconded by Don Kitchen to re-appoint Stephanie Kipp as the Research Committee Chair.**

*Committee Recommendation: Requests the commission provide additional committee funding to host a fall/winter, in depth look at research priorities every 3-4 years in addition to the summer meeting to build a long-term strategy for research.*

Motion by Phil Gusmano, seconded by Jon Yoder to direct the Executive Director to build into the budget an additional committee meeting every 3-4 years for long term research strategizing, motion carried.

2022 Crop Year Unrestricted Research Grants Recommendations from Research Committee (see attached list in Research Committee minutes)

*Recommendation: Approve the 12 research proposals at the levels proposed by the research committee for a total of \$179,298.*

**Motion by Jon Yoder and seconded by Matt Wilkes to approve the research committee's recommendation for proposal funding for 2022 Crop Year Unrestricted Research Grants, motion carried.**

### Variety Release Committee Recommendation Review

**Motion by Matt Wilkes and seconded by Jon Yoder to approve the Variety Release Committee's recommendation to enter into a licensing agreement with MSU for MSV093-Y (Bonafide), motion carried.**

Consideration of being named fiduciary for Well Monitoring Coalition's network proposal

**Motion by Matt Wilkes, seconded by Phil Gusmano to authorize the use of MPIC as listed fiduciary for the Well Monitoring Coalition's network proposal for a ground water monitoring network, motion carried.**

Consideration of a credit card for the Education and Outreach Specialist position

**Motion by Phil Gusmano, seconded by Don Kitchen to authorize the issuance of a company credit card with a \$2000 limit for the Education and Outreach Specialist position, motion carried.**

## Michigan Potato Industry Commission Meeting Minutes

February 02, 2022, Amway Grand Plaza Hotel, Grandview Room, Grand Rapids, MI

### Selecting nominees for commission appointments

**Motion by Don Kitchen, seconded by Matt Wilkes to move forward with contacting the commission nominees for acceptance as listed below for respective positions, motion carried.**

|   | Tablestock     | Seed      |              | chip     |               |
|---|----------------|-----------|--------------|----------|---------------|
| 1 | Travis Horkey  | 1         | Matt Skogman | 1        | Greg McCarthy |
| 2 | Jon Yoder      | 2         | John Marker  | 2        | Mike Phillips |
| 3 | Don Kitchen    | 3         | Greg Iott    | 3        | Ryan Tucker   |
| 4 | Ryan Johnson   | 4         | Gary Walther | 4        | Chase Young   |
|   | Shipper        | Processor |              | At Large |               |
| 1 | Matt Wilkes    | 1         | Phil Gusmano | 1        | Dale Johnson  |
| 2 | Becky Williams | 2         | Terry Martin | 2        | Ryan Tucker   |

### MDARD Report

Tricia Bizoukas reported that the department is working on many hires. They also are working to get the certified seed reporting program solidified and need people to register annually if they are growing potatoes.

### MSU Report

George Smith, the new AgBio Director introduced himself to the group. Dave Douches discussed a national SCRI virus project that Dr. Jaime Willbur and Dr. Douches are leading, and that Dave is also leading a national Diploid project while Dr. Zsafia Szendrei is leading a neonic proposal at the national level. Dr. Douches' US Aid project was formally announced yesterday as well (press release attached).

Other Business--none

Public comment on non-agenda items--none

Seeing no further business, meeting was adjourned at 11:35am by Chairman Horkey.

Respectfully Submitted,

Kelly Turner

# Michigan Potato Industry Commission

Balance Sheet  
As of April 30, 2022

|  | TOTAL               |
|--|---------------------|
| <b>ASSETS</b>                          |                     |
| Current Assets                         |                     |
| Bank Accounts                          |                     |
| 100 Cash and Deposits                  |                     |
| 111 Mercantile Checking                | 413,733.46          |
| 119 Independent Bank - Savings         | 1,229.19            |
| 120 Savings Account (MSUFCU-08-PPP)    | 138,681.69          |
| 121 Mercantile Money Market            | 50,110.03           |
| 123 Independent Bank - Money Market    | 100,156.57          |
| 131 CD-MSUFCU-C2 (7/29/21)             | 104,891.04          |
| <b>Total 100 Cash and Deposits</b>     | <b>808,801.98</b>   |
| <b>Total Bank Accounts</b>             | <b>\$808,801.98</b> |
| Accounts Receivable                    |                     |
| 11000 *Accounts Receivable             | 19,753.31           |
| <b>Total Accounts Receivable</b>       | <b>\$19,753.31</b>  |
| Other Current Assets                   |                     |
| 170 Prepaid Expenses                   | 45,228.13           |
| <b>Total Other Current Assets</b>      | <b>\$45,228.13</b>  |
| <b>Total Current Assets</b>            | <b>\$873,783.42</b> |
| Other Assets                           |                     |
| 180 GreenStone Security Deposit        | 3,496.50            |
| <b>Total Other Assets</b>              | <b>\$3,496.50</b>   |
| <b>TOTAL ASSETS</b>                    | <b>\$877,279.92</b> |
| <b>LIABILITIES AND EQUITY</b>          |                     |
| Liabilities                            |                     |
| Current Liabilities                    |                     |
| Accounts Payable                       |                     |
| Accounts Payable (A/P)                 | 6,090.33            |
| <b>Total Accounts Payable</b>          | <b>\$6,090.33</b>   |
| Other Current Liabilities              |                     |
| 220 Salaries Payable                   | 32,198.40           |
| 225 Payroll Taxes Payable              | 2,463.18            |
| 230 Deferred Revenue                   | 1,000.00            |
| <b>Total Other Current Liabilities</b> | <b>\$35,661.58</b>  |
| <b>Total Current Liabilities</b>       | <b>\$41,751.91</b>  |
| <b>Total Liabilities</b>               | <b>\$41,751.91</b>  |
| Equity                                 |                     |
| 32000 Unrestricted Net Assets          | 533,594.00          |
| Net Income                             | 301,934.01          |
| <b>Total Equity</b>                    | <b>\$835,528.01</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>    | <b>\$877,279.92</b> |

# Michigan Potato Industry Commission

## Profit and Loss

July 2021 - April 2022

|  | TOTAL                 |
|--|-----------------------|
| <b>Income</b>  |                       |
| 410 Assessments  | 1,016,934.70          |
| 420 Interest Earned  | 660.77                |
| 430 Advertising and Promotional                                  | 32,500.00             |
| 445 Royalties  | 18,440.32             |
| 450 Other Income   | 58,262.23             |
| 451 Special Projects   | 6,710.41              |
| 452 Promotional Material Sales                                   | 100.00                |
| <b>Total 450 Other Income</b>                                    | <b>65,072.64</b>      |
| 454 Storage Potatoes   | 19,567.08             |
| 455 Winter Potato Conference                                     | 36,324.80             |
| 460 Potato Growers of Michigan                                   | 382.23                |
| 470 Grants   | 56,201.30             |
| 470.18 Marketing Grant   | 66,711.00             |
| <b>Total 470 Grants</b>  | <b>122,912.30</b>     |
| Sales  | 1,145.00              |
| <b>Total Income</b>  | <b>\$1,313,939.84</b> |
| <b>GROSS PROFIT</b>  | <b>\$1,313,939.84</b> |
| <b>Expenses</b>  |                       |
| 600 Promotion Expense  | 0.00                  |
| 603 Tradeshow Expense  | 9,140.56              |
| 604 Public Relations   | 9,609.00              |
| 605 Publication Advertising                                      | 1,071.79              |
| 607 Materials  | 2,135.75              |
| <b>Total 600 Promotion Expense</b>                               | <b>21,957.10</b>      |
| 630 Research Expense   | 140,933.30            |
| 640 Grant Expense  | 71,201.30             |
| 640.162 Post Harvest Tuber Quality Expe                          | 13,305.99             |
| 640.18 Marketing Grant Expense                                   | 2,500.00              |
| 640.2 Climate resilience in potato- field and storage assessment | 2,160.00              |
| 640.4 Potato Nutrition Messaging - Grant # 22000000911           | 10,000.00             |
| 640.5 Potato Inspiration   | 6,000.00              |
| <b>Total 640 Grant Expense</b>                                   | <b>105,167.29</b>     |
| 645 Winter Potato Conference Exp                                 | 59,507.84             |
| 660 Grower Relations   | 6,513.42              |
| 663 Special Projects   | 19,672.42             |
| <b>Total 660 Grower Relations</b>                                | <b>26,185.84</b>      |

# Michigan Potato Industry Commission

## Profit and Loss

July 2021 - April 2022

|  | TOTAL             |
|--|-------------------|
| 670 Storage Facilities                     | 57,087.53         |
| 671 Cargill (West) Building (Old)          | 27,245.92         |
| 672 East Building (New)                    | 14,219.94         |
| <b>Total 670 Storage Facilities</b>        | <b>98,553.39</b>  |
| 680 IUL                                    | 54,146.50         |
| 685 Potato Research Technician             | 63,922.54         |
| 700 Administrative Costs                   | 0.00              |
| 701 Salaries                               | 222,160.14        |
| 702 Employer FICA                          | 19,255.85         |
| 703 Employer Health Insurance              | 16,237.50         |
| 704 Employer Retirement                    | 5,911.75          |
| 705 MESC                                   | 3,826.23          |
| 706 Hourly Wages                           | 32,538.00         |
| 707 STD/LTD/Group Life                     | 2,602.90          |
| 709 Dental and Vision Insurance            | 1,557.81          |
| <b>Total 700 Administrative Costs</b>      | <b>304,090.18</b> |
| 710 Consulting Services                    | 8,629.45          |
| 720 Office Operations                      |                   |
| 721 Postage                                | 459.51            |
| 722 Phone                                  | 3,056.42          |
| 723 Office Supplies                        | 1,313.34          |
| 728 Professional Development               | 345.00            |
| 730 Office Equipment                       | 5,728.27          |
| 750 Dues & Subscriptions                   | 27,506.71         |
| 752 Other Business Charges                 | 1,090.98          |
| 753 Bank Fees                              | 1,128.00          |
| 754 Credit Card Fees                       | 1,765.63          |
| <b>Total 720 Office Operations</b>         | <b>42,393.86</b>  |
| 731 Office Rent and Utilities              |                   |
| 732 Office Rent                            | 18,952.14         |
| <b>Total 731 Office Rent and Utilities</b> | <b>18,952.14</b>  |
| 740 Insurance                              | 2,694.99          |
| 744 Legal and Audit                        |                   |
| 747 Audit                                  | 8,280.00          |
| <b>Total 744 Legal and Audit</b>           | <b>8,280.00</b>   |
| 760 Travel Expense                         |                   |
| 761 Employee Travel                        | 19,879.66         |
| 762 Growers Travel                         | 1,136.26          |
| <b>Total 760 Travel Expense</b>            | <b>21,015.92</b>  |

# Michigan Potato Industry Commission

## Profit and Loss

July 2021 - April 2022

|                               | TOTAL                 |
|-------------------------------|-----------------------|
| 800 Meetings                  |                       |
| 801 Commission Expense        | 2,344.83              |
| 803 Variety Release Committee | 342.45                |
| 804 Research Committee        | 335.00                |
| 805 Storage Committee         | 123.25                |
| <b>Total 800 Meetings</b>     | <b>3,145.53</b>       |
| 820 NPC Expense               |                       |
| 825 NPC Activities            | 1,000.00              |
| 828 NPC Meetings              | 7,095.77              |
| 829 NPC Dues                  | 24,334.19             |
| <b>Total 820 NPC Expense</b>  | <b>32,429.96</b>      |
| <b>Total Expenses</b>         | <b>\$1,012,005.83</b> |
| NET OPERATING INCOME          | <b>\$301,934.01</b>   |
| NET INCOME                    | <b>\$301,934.01</b>   |





GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF AGRICULTURE  
AND RURAL DEVELOPMENT

GARY MCDOWELL  
DIRECTOR

April 22, 2022

Ms. Kelly Turner, Executive Director  
Michigan Potato Industry Commission  
3515 West Road, Suite A  
East Lansing, MI 48823

RE: Financial Statement Desk Review – Michigan Potato Industry Commission (MPIC)

Dear Ms. Turner:

The Michigan Department of Agriculture and Rural Development (Department) has received an unqualified audited financial statement of the Michigan Potato Industry Commission (MPIC) for the fiscal year ending June 30, 2021. I have reviewed the report as part of the Department's oversight responsibilities under the State Potato Industries Commission Act (1970 P.A. 29, as amended). The purpose of this report is to inform and advise management of any concerns as a result of my review of the commodity group's annual financial report.

The June 30, 2021, MPIC government wide-financial statement reports on an accrual basis a fund balance of \$919,856, expenditures of \$1,083,469, and revenues over expenditures of \$208,559. The fund balance to expenditure ratio of .85 to 1 should be reviewed annually to determine whether the MPIC is utilizing the assessments and other revenue sources provided to the extent possible.

Note 2 in financial statement refers to the June 30, 2021, MPIC's deposits of \$64,739 which was exposed to custodial credit risk as it was uninsured and uncollateralized.

Note 4 in financial statement refers to a \$4,000 receivable with Potato Growers of Michigan, Inc. for common management. MPIC provided accounting and administrative services for the year ended June 30, 2021. Some Commission board members are also board members of the Potato Growers of Michigan, Inc.

Note 8 in financial statements under Economic Dependency states "The Michigan Potato Industry Commission is a commodity group and is by nature reliant on revenues generated by assessments on potato crops." Dependence is a common issue among legislatively enacted marketing associations.

Note 9 - Coronavirus Pandemic: On March 11, 2020, the World Health Organization declared a pandemic due to the outbreak of a respiratory disease known as COVID-19. The Commission continues to monitor the situation and currently, it is not possible to estimate the extent of any potential losses.

In Governance letter the following internal control matters were noted for management consideration.

1. MPIC incorrectly recorded transaction in QuickBooks to the improper audit period. This was subsequently corrected by management. Auditor noted the importance of monitoring transactions within QuickBooks, and that careful consideration be given if posting any entries to prior periods.
2. Auditor noted instances where formal documentation of checks and balances was not consistently supported by signoffs of the review of bank reconciliations and receipts. Auditor recommends that MPIC ensure a formal review and approval process is documented that provides for an audit trail to support proper checks and balances are being performed.
3. Auditor noted that administrative and management fees due from Potato Growers of Michigan related to FY2021, had not been invoiced as of year-end. Auditor recommends that the Commission implement procedures to ensure that the administrative fee is invoiced at a consistent period annually.
4. Auditor noted that certain year-end adjustments related to accounts receivables and the 60-day rule have been recorded as a non-attest service and therefore are only reflected on the Commissions books at year end. Auditor recommends that MPIC develop a checklist and incorporate these adjustments into the year-end close process.

It is highly recommended that each component unit of state government review page 5 of Treasury's "Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan" for uniformity of statement and Management Discussion Analysis (MD&A) format.

As a component unit, it is restricted by the "Investment of Surplus Funds of Political Subdivision", PA 20 of 1943. It is recommended that each commodity group review its investment policies to verify compliance with the guidelines of PA 20 of 1943.

Michigan Potato Industry Committee  
April 22, 2022  
Page 2

If you have any questions or concerns regarding these items, please call me at 517-284-5642, or email me at [haarerj@michigan.gov](mailto:haarerj@michigan.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Haarer". The signature is written in a cursive style with a large initial "J".

Jeff Haarer, Manager  
Producer Security and Ag Products

cc: Gary McDowell, MDARD, Director  
Ken McFarlane, MDARD, Chief Deputy Director  
Jamie Zmitko-Somers, MDARD, Agriculture Development  
Division Director  
Heather Throne, MDARD, Outreach Specialist

# ***Executive Director's Report***

June 08, 2022

## **Office Related**

### **Staffing**

*Business Manager*-Lorri Greenhoe just passed her first year of service anniversary. She is becoming familiar with systems and has made some valuable suggestions for process improvements.

**Sponsorship Program** – We will soon be taking commitments for the 6th year of the sponsorship program. We held a sponsor listening session on May 18<sup>th</sup> and took in valuable feedback which we will work to incorporate into the 2023 Sponsorship program for which sign up will roll out the beginning of September.

**SCBG Projects** – MPIC was recently awarded two USDA Specialty Crop Block Grants for a total amount of \$225,000. The first project titled “Integrated Volunteer Potato and Colorado Potato Beetle Control for Sustainable Potato Production in Michigan” will be led by Dr. Erin Burns with Michigan State University. The second grant titled “Building relationships and communicating Michigan Potatoes as a key healthy, available, and affordable ingredient” will be conducted by MPIC. Both projects are slated to begin in late 2022 and early 2023.

MPIC is currently working on two 2022 Specialty Crop Block Grant projects, totaling \$220,000; “Potato Nutrition Messaging to Address Inequities in the Food System” and “Climate Resilience in Potato: Field and Storage Assessment” in partnership with Dr. Dave Douches, Director of MSU Potato Breeding and Genetics at Michigan State University.

## **Activities**

**Potato Day at the Capitol** – Michigan Potatoes will host Potato Day at the Capitol in-person on Wednesday, June 22, 2022, 12-2pm. We have a wonderful event planned for the community and legislators. Legislators will receive a complimentary Michigan Potatoes coffee mug along with PGMI legislative priorities. We will have exhibitors from Michigan chipping companies passing out complimentary bags of potato chips. Along with staff members from MSU Extension displaying different potato varieties. In addition, we have a food truck parked in front of the Capitol making fresh fried potato chips utilizing Michigan potatoes. We are excited to be able to host this event in-person again and hope you can join us to help showcase the Michigan Potato Industry.

### **Digital Marketing Statistics – Jul 1, 2021 – April 30, 2022**

- *MPIC Consumer Website*
  - 41,838 visitors
  - 64,423 pageviews
- *MPIC Industry Website*
  - 15,584 visitors
  - 35,155 pageviews
- *Industry Communications*
  - 78 MPIC Industry Communications; 59,530 recipients

# Executive Director's Report

June 08, 2022

- 34.94% open rate; 16.51% click rate

**Social Media** – We have continued to build upon our previous success by steadily increasing our social media marketing audience and reach to new consumers. In the July 1, 2021 - April 30, 2022, time period we organically reached over 6-million consumers and surpassed 16,000-page likes. Our social media in conjunction with the current Specialty Crop Block Grant project has reached over 1.4 million consumers with more to come as the project ramps up this Summer.

## Special Projects

### **Chip Processors Tour**

In addition to the traditional SCBG funding cycle the Commission continued its' positive relationship with the Michigan Department of Agriculture and secured an approximately \$20,000 in additional funding available to host the 2022 Chip Processor's Tour. This funding frees up \$10,000 originally budgeted while expanding the scope of the event overall. MPIC will host a Chip Processors Tour on September 13-15. The agenda is rigorous, with discussions and business continuing through dinner at the events. The event provides time at two receptions/dinners to interact with chip processors from the eastern US, field variety visits, Montcalm Storage Facility visit, climate resilience discussion, and a round table discussion on consumer perceptions and sustainability requirements.

## **Chip Processor Tour Agenda**

September 13-15, 2022

### **Tuesday, Sept. 13**

|           |   |
|-----------|---|
| 4:00pm    | <b>Check-in Hotel, Embassy Suites, 710 Monroe Ave, NW, Grand Rapids, MI 49503</b> |
| 5:30 pm   | Reception   |
| 6:15 pm   | Depart for dinner   |
| 6:30-9:00 | Dinner with growers   |

### **Wednesday, Sept. 14**

|          |  |
|----------|--|
| 7:00 am  | Continental Breakfast, at Hotel  |
| 7:30 am  | Bus departs for Thorlund Brothers Farm, 5774 W. Fenwick Rd., Greenville          |
| 8:20 am  | At Thorlund Brothers Farms - <b>bulk planting MSW474-1</b> – Chris Long          |
| 9:15 am  | Depart for Sandyland Farms, 13375 Deaner Rd. NW, Howard City                     |
| 10:00 am | Sandyland Farms – <b>SNAC Trial and bulk NY163</b> – Chris Long                  |
| 11:00 am | Depart for McKenna's Village Restaurant, 321 N Lincoln Ave, Lakeview, MI 48850   |
| 11:15 am | Arrive at McKenna's Village Restaurant for lunch                                 |
| 12:30 pm | Depart for Heritage Ag Aerial Applications, 9081 W Cutler Rd, Lakeview, MI 48850 |
| 12:45 pm | Heritage Ag— <b>Aerial Operations</b> —Greg Wing, Operations Manager             |
| 1:45 pm  | Depart for Montcalm Research Center, 4725 McBride NW, Stanton, MI 48888          |
| 2:00 pm  | Montcalm Research Center   |

**Box bin trials** – Chris Long  
**Demonstration storages** – Chris Long  
**Pathology study**-Dr. Jaime Willbur  
**Climate Resilience**-Dr. Dave Douches

# ***Executive Director's Report***

June 08, 2022

3:45 pm Bus departs for hotel  
4:45 pm Arrive at hotel  
5:15 pm Depart for reception and dinner  
5:30 pm Reception and dinner

## **Thursday, Sept, 15**

8:30 am Continental Breakfast, at hotel  
9:00am Interactive Round Table Discussion on Sustainability Practices and what it means to consumers/customers

- Jason Walther—Walther Farms
- Stephanie Kipp—Kipp Farm Services
- Brian Sackett--Sackett Potatoes
- Phil Gusmano—Bettermade Snack Foods

11 am Check out and head home

## **Montcalm Research Center Advisory Committee (MRCAC)**

The MRCAC has officially concluded all stakeholder group meeting and compiled a preliminary report which will be presented in an in-person meeting to AgBio on June 23. The committee (Chris Long, Brian Horgan, Joe Cramer, Karen Cichy, Marilyn Thelen, and Zsofia Szendrei) had identified 13 stakeholder groups comprised of an average of 20 individuals. Over the past year, these stakeholder groups were invited to participate in facilitated sessions that identified stakeholder needs, potential uses at MRC, and roadblocks.

## **MI Seed Potato Association Executive Search**

Kelly has been working with Jeff Axford and the MSPA to organize the executive search for Jeff's replacement. The MSPA hired Damen Kurzer who started the position in early June.

## **Commodity Leadership Program**

MI Ag CORE (Communication, Organization, Relationship, and Engagement) is a collaborative program designed to start to get people started in the leadership pipeline for the wheat, soybean, and potato industries. This annual, yearlong program consists of seven (7) total session (3 in-person and 4 virtual) that cover topics of personality profiles, creating team culture, managing dysfunction, friction, and strong personalities, employee engagement, servant leadership, overview of human resources topics and legal issues related to employment practices and workplace safety, organizational governance, public speaking, issue advocacy, and communication.

The proposed educational opportunities will allow producers to take specific actions to generate measurable results by managing human resource issues. Developing interpersonal skills and the ability to manage family and business relationships in a productive and meaningful manner leads into farm culture and the ability to attract, grow, and retain multi-generational talent.

## ***Executive Director's Report***

June 08, 2022

In the inaugural year, the program has 16 participants, with 5 being from the potato industry, 2 from MSUE, and an additional 3 from Greenstone FCS. Total program costs will run about \$1000 per student.

## Budget Notes and Assumptions

June 8, 2022

### Analysis of 2021 Crop Assessments and 2022 Projection

Through April 30 we have collected \$266,968 in 3rd quarter assessments. For FY22 we have collected assessments on approximately 13 million cwt. Additionally, we are over budget for assessment collection due to a new way of tracking incoming assessment dollars and reaching out to those who have been remiss in assessment payments, including 1 in-state processors. Additional assessment back payments totaling over \$51,000 were collected in FY22 to date.

Related to fourth quarter assessments there is a range of assumptions that can be made. The budget is very conservative and assumes that the April-June sales are equal to last year with 3.93 million cwt shipped (even though it has been slightly higher in reports). This would bring the total amount of assessments for the crop year, taking us over the budgeted amount, possibly slightly over. The FY 23 budget was figured at 92% of USDA 5-year averages. Factors that led to such a conservative approach were the continued weather volatility, the uncertainty of the potato market given impacts by COVID-19 and the Ukraine/Russian war.

### Staffing/Administration

The budget does include an overall 5.76% increase in payroll for salaries and a 6.73% increase in total payroll (due to an increase in hourly wages and payroll expenses other than salary). The FY23 budget reflects an accurate assumption of all employee-related costs based on proposed payroll increases and current benefit utilization. MPIC cost includes salary, payroll taxes, short/long-term disability, health insurance, dental and optical insurance, and 3% match to SIMPLE IRA for full-time employees. The health care costs may increase more than the 4% assumption built into the budget.

#### **Total MPIC Cost (salary and benefits)**

|                                   |                 |
|-----------------------------------|-----------------|
| Executive Director                | \$153,196       |
| Business Manager                  | \$ 68,208       |
| Marketing Manager                 | \$ 84,762       |
| Education and Outreach Specialist | \$ 50,198       |
| Intern                            | \$ 0            |
| <hr/> Total                       | <hr/> \$356,364 |

### Grant Revenue/Expenses

Grant expenses are heavier in FY23 than the revenue from previous year's grants. MPIC is getting more money in SCBG as we can apply for grants totaling \$120,000 now instead of being capped at \$100,000 and MPIC has received extra grants as well that require expense at the very end of the fiscal year and reimbursement in a following year.

### Major Budget Components

#### **Storage Updates/Improvements at Montcalm Research Station**

There are several improvements that have been taking place at the Montcalm Research Station. Two years ago, the plenum air cups were replaced, last year was bin heater and replenishment of temperature sensors and heat shrink. For FY 23 we are anticipating humidity-cell replacement in



## **Budget Notes and Assumptions**

**June 8, 2022**

both buildings. Storage budget costs include annual summer maintenance and evaluation of storage bins, annual late winter refrigeration maintenance evaluation.

### **Programs and Partnerships**

Travel to events is now increasing as more in-person meetings are being held and the cost of fuel, goods, and services have risen dramatically. Inclusion of a membership to the Potato Sustainability Alliance and the International Fresh Produce Association is included.

Two years ago, MPIC opted to become a founding member of the Potato LEAF Foundation with a donation of \$50,000 spread over a four (4) year period (\$12,500/year). We are on year three (3) of this commitment in the FY23 budget.

Michigan Potato Industry Commission  
 FY 2017-18 Budget Comparison

| Account             | Sub-account | Description                 | 2022-23 Proposed Budget |                     |   |
|---------------------|-------------|-----------------------------|-------------------------|---------------------|---|
| <b>Income</b>       |             |                             |                         |                     |   |
| 410                 |             | Assessments                 |                         | \$ 947,154          | \$ 1,026,084 \$ 78,930 half a cent increase |
| 420                 |             | Interest Earned             |                         | \$ 820              |   |
| 430                 |             | Advertising & Promotion     |                         | \$ 39,900           |   |
| 445                 |             | Royalties                   |                         | \$ 23,000           |   |
|                     | 450         | General                     | \$ -                    | \$ 1,200            |   |
|                     | 451         | Special Projects            | \$ 11,600               | \$ 11,600           |   |
|                     | 452         | Promotional Material Sales  | \$ 500                  | \$ 100              |   |
| 454                 |             | Storage Potatoes            |                         | \$ 43,000           |   |
| 455                 |             | Winter Potato Conference    |                         | \$ 38,650           |   |
| 460                 |             | PGMI                        |                         | \$ 4,000            |   |
| 470                 |             | Grants                      |                         | \$ 207,125          | \$ 1,109,424                                |
| <b>Total Income</b> |             |                             |                         | <b>\$ 1,316,549</b> | <b>\$ 1,395,479</b>                         |
| <b>Expenses</b>     |             |                             |                         |                     |   |
| 600                 |             | Promotion Expense           |                         | \$ 34,925           |   |
|                     | 603         | Tradeshows                  | \$ 15,500               |                     |   |
|                     | 604         | Public Relations            | \$ 11,500               |                     |   |
|                     | 605         | Publication Advertising     | \$ 2,925                |                     |   |
|                     | 607         | Promotional Materials       | \$ 5,000                |                     |   |
| 630                 |             | Research Expense            |                         | \$ 179,298          |   |
| 640                 |             | Grant Expense               |                         | \$ 279,965          |   |
| 645                 |             | Winter Potato Conference    |                         | \$ 58,000           |   |
| 660                 |             | Grower Relations            |                         | \$ 18,800           |   |
|                     | 660         | General                     | \$ 12,300               |                     |   |
|                     | 663         | Special Projects            | \$ 6,500                |                     |   |
| 670                 |             | Storage Facilities          |                         | \$ 152,181          |   |
|                     | 670         | General                     | \$ 65,372               |                     |   |
|                     | 671         | Cargill Building            | \$ 58,370               |                     |   |
|                     | 672         | Kudwa Building              | \$ 28,439               |                     |   |
| 680                 |             | IUL                         |                         | \$ 67,147           |   |
| 685                 |             | Research Technician         |                         | \$ 76,230           |   |
| 700                 |             | Administrative Costs        |                         | \$ 356,365          |   |
|                     | 701         | Salaries                    | \$ 257,678              |                     |   |
|                     | 702         | Employer FICA               | \$ 22,577               |                     |   |
|                     | 703         | Employer Health Insurance   | \$ 20,371               |                     |   |
|                     | 704         | Employer Retirement         | \$ 8,854                |                     |   |
|                     | 705         | MESC                        | \$ 4,000                |                     |   |
|                     | 706         | Hourly Wages                | \$ 37,440               |                     |   |
|                     | 707         | STD/LTD/Group Life          | \$ 3,236                |                     |   |
|                     | 709         | Dental and Vision Insurance | \$ 2,209                |                     |   |
| 710                 |             | Services Hired              |                         | \$ 19,500           |   |
| 720                 |             | Office Operations           |                         | \$ 56,849           |   |
|                     | 721         | Postage                     | \$ 1,500                |                     |   |
|                     | 722         | Phone                       | \$ 3,700                |                     |   |
|                     | 723         | Office Supplies             | \$ 2,500                |                     |   |
|                     | 728         | Professional Development    | \$ 2,600                |                     |   |
|                     | 730         | Office Equipment            | \$ 8,900                |                     |   |
|                     | 750         | Dues & Subscriptions        | \$ 33,329               |                     |   |
|                     | 752         | Other Business Charges      | \$ 1,000                |                     |   |
|                     | 753         | Bank Fees                   | \$ 1,320                |                     |   |
|                     | 754         | Credit Card Service Fees    | \$ 2,000                |                     |   |
| 732                 |             | Office Rent                 |                         | \$ 23,226           |   |

Michigan Potato Industry Commission  
 FY 2017-18 Budget Comparison

|  |     |                 |           |                     |                     |
|--|-----|-----------------|-----------|---------------------|---------------------|
| 740  |     | Insurance       |           | \$ 4,158            |                     |
| 744  |     | Legal Services  |           | \$ 9,150            |                     |
|  | 745 | Legal           | \$ 1,000  |                     |                     |
|  | 747 | Audit           | \$ 8,150  |                     |                     |
| 760  |     | Travel Expense  |           | \$ 41,000           |                     |
|  | 761 | Employee Travel | \$ 40,000 |                     |                     |
|  | 762 | Grower Travel   | \$ 1,000  |                     |                     |
| 800  |     | Meetings        |           | \$ 5,750            |                     |
| 820  |     | NPC Expense     |           | \$ 46,201           |                     |
|  |     | Market Access   | \$ 1,000  |                     |                     |
|  | 828 | NPC Meetings    | \$ 16,000 |                     |                     |
|  | 829 | NPC Dues        | \$ 29,201 |                     |                     |
| <b>Total Expense</b>   |     |                 |           | <b>\$ 1,428,745</b> | <b>\$ 1,148,780</b> |
| <b>Net Income without Deferred Revenue</b>   |     |                 |           | \$ (112,196)        |                     |
| <i>Net Income without Grant costs/income</i>   |     |                 |           | \$ (39,356)         | \$ 39,574           |
| <b>Fund Balance (current assets at end of period)</b>                                  |     |                 |           | \$ 808,802          |                     |
| <b>Fund Balance Ratio (fund balance/prior year assessment)</b>                         |     |                 |           | 85.59%              |                     |
| <b>Fund Balance Ratio (fund balance/total expenditures)</b>                            |     |                 |           | 56.61%              |                     |
| <b>Adjusted Fund Balance Ratio (fund balance/total expenditure) (see Policy 2.3.5)</b> |     |                 |           | 70.41%              |                     |

2022-23 Budget Explanation  
Michigan Potato Industry Commission

Revenue

**410 Grower Assessments**

Includes potato assessments from growers and shippers for crop year that will be received in the current fiscal year. For the budget, assessments have been calculated at the \$0.06 rate on the 2022 crop.

|     |                              |  | FY22              | FY23              |
|-----|------------------------------|--|-------------------|-------------------|
| 410 | Assessment - no sub accounts |  | \$ 926,122        | \$ 947,154        |
|     | <b>Total</b>                 |  | <b>\$ 926,122</b> | <b>\$ 947,154</b> |

**420 Interest Earned**

Includes all interest earned from investments.

|     |  |  | FY22          | FY23          |
|-----|--|--|---------------|---------------|
| 420 | Interest Earned - all goes to this account |  | \$ 805        | \$ 820        |
| 421 | Money Market Checking                      |  |               |               |
| 422 | Certificates of Deposit                    |  |               |               |
|     | <b>Total</b>                               |  | <b>\$ 805</b> | <b>\$ 820</b> |

**430 Advertising and Promotional Income**

Includes all income received from advertising and promotional activities. In FY17-18, we began an annual sponsorship that includes Winter Potato Conference and all other events. Also included is revenue from various partners on promotional activities. We have eliminated the MSPA promotion at Potato Expo and will work with them to promote MI seed potatoes in another way.

|  |   |  | FY22             | FY23             |
|--|---|--|------------------|------------------|
|  | Montcalm Field Day - not included in annual spon. |  |                  | \$ 200           |
|  | Annual Sponsorship Program                        |  | \$ 16,250        | \$ 37,700        |
|  | National Restaurant Show                          |  | \$ 1,000         | \$ 1,000         |
|  | Produce Marketing Association Fresh Summit        |  | \$ 1,000         | \$ 1,000         |
|  | <b>Total</b>                                      |  | <b>\$ 18,250</b> | <b>\$ 39,900</b> |

**445 Royalties**

Includes all income received from royalties affiliated with potato varieties under license with MPIC. Royalties for the newly added varieties are expected to be small to start. Mackinaw is growing in popularity.

|  |                           |  | FY22             | FY23             |
|--|---------------------------|--|------------------|------------------|
|  | Potato Royalties from MSU |  | \$ 20,000        | \$ 23,000        |
|  | <b>Total</b>              |  | <b>\$ 20,000</b> | <b>\$ 23,000</b> |

**450 Other Income**

Includes income received from non-traditional sources. Sub-account (451- Special Projects) is for one-time special projects. Sugar sampling on NPC Early Generation varieties in MPIC box bin storages continues from Potatoes USA. Account 452 was created for tracking sales of promotional materials

|     |                            |  | FY22      | FY23      |
|-----|----------------------------|--|-----------|-----------|
| 450 | General Other Income       |  | \$ 1,000  | \$ 1,200  |
| 451 | Special Projects           |  | \$ 13,800 | \$ 11,600 |
|     | - Storage Rental           |  | \$ -      | \$ -      |
|     | - Potato Day @ the Capitol |  | \$ 2,000  | \$ 2,000  |
|     | - Potatoes USA Storage     |  | \$ 8,800  | \$ 9,600  |

**2021-22 Budget Explanation  
Michigan Potato Industry Commission**

|     |                                   |  |  |                  |                  |
|-----|-----------------------------------|--|--|------------------|------------------|
|     | - IPM Alliance EPA Tour (Aug '21) |  |  | \$ -             | \$ -             |
|     | - Industry Weekend                |  |  | \$ 3,000         | \$ -             |
| 452 | Promotional Material Sales        |  |  | \$ 1,500         | \$ 100           |
|     | <b>Total</b>                      |  |  | <b>\$ 16,300</b> | <b>\$ 12,900</b> |

**454 Storage Potatoes**

Includes revenue from the sale of potatoes utilized in research and storage activities. Includes the sale of 7 of 9 bins owned by MPIC. Cargill is 1-6 bins and Kudwa 7-9 bins.

|  |                         | FY22             | FY23             |
|--|-------------------------|------------------|------------------|
|  | <b>Sale of Potatoes</b> | <b>\$ 43,000</b> | <b>\$ 43,000</b> |

**455 Winter Potato Conference**

Includes income received from registration and other sources related to conducting the Winter Potato Conference. Sponsorship revenue has been moved to the annual Sponsorship Program in Acct 430 with the exception of function sponsorships.

|  |   | FY22             | FY23             |
|--|---|------------------|------------------|
|  | Registration (\$175 registration, \$150 early registration) | \$ 24,500        | \$ 26,500        |
|  | Booth Space (9 comp, 18@\$350, 9@\$650)                     | \$ 12,150        | \$ 12,150        |
|  | Function Sponsorships not included in annual spon.          | \$ -             | \$ -             |
|  | Other   | \$ -             | \$ -             |
|  | <b>Total</b>  | <b>\$ 36,650</b> | <b>\$ 38,650</b> |

**460 Potato Growers of Michigan**

Includes all revenue from Potato Growers of Michigan for carrying out administrative agreement. All reimbursement for PGMI expenses is reflected in Acct. 450.

|  |                       | FY22            | FY23            |
|--|-----------------------|-----------------|-----------------|
|  | <b>PGMI Agreement</b> | <b>\$ 4,000</b> | <b>\$ 4,000</b> |

**470 Grants**

Includes revenue from various grant sources. Variance is related to dollar value of actual grants received.

|         |   | FY22              | FY23              |
|---------|---|-------------------|-------------------|
| 470.201 | 2020 SCBG--ID of varieties with postharvest disease resistance (\$85,625) | \$ 68,500         | \$ 17,125         |
| 470.5   | 2021 Potato Inspiratons (EXTRA SCBG)(\$67,000)                            | \$ 66,741         | \$ -              |
| 470.12  | 2021 Climate Resilience (Douches) \$100K                                  | \$ -              | \$ -              |
| 470.4   | 2021 Nutrition Communications \$120K                                      | \$ 72,000         | \$ -              |
| 470.21  | 2022 Chip Processors Tour   |                   | \$ 10,000         |
| 470.22  | 2022 Building Relationships with Potatoes \$125K                          |                   | \$ 100,000        |
| 470.23  | 2022 Volunteer Potatoes & CPB \$100K                                      |                   | \$ 80,000         |
|         | <b>Total</b>  | <b>\$ 207,241</b> | <b>\$ 207,125</b> |

**Expenses**

**600 Promotion Expense**

Includes all expenses in association with promotional activities of potatoes. Major areas are broke out into sub accounts.

|     |                         | FY22             | FY23             |
|-----|-------------------------|------------------|------------------|
|     | Sub-Account Summary     |                  |                  |
| 603 | Tradeshows              | \$ 28,900        | \$ 15,500        |
| 604 | Public Relations        | \$ 12,250        | \$ 11,500        |
| 605 | Publication Advertising | \$ 6,925         | \$ 2,925         |
| 607 | Promotional Materials   | \$ 5,100         | \$ 5,000         |
|     | <b>Total</b>            | <b>\$ 53,175</b> | <b>\$ 34,925</b> |

2021-22 Budget Explanation  
Michigan Potato Industry Commission

**603 Tradeshows**

Includes expenses related to on-site tradeshow events. Travel cost for staff is included in Account 760.

|  |  |  | FY22             | FY23             |
|--|--|--|------------------|------------------|
| Snaxpo                                     |  |  |                  |                  |
| - Exhibit Space                            |  |  | \$ 6,500         | \$ 6,500         |
| - Event Sponsorship                        |  |  | \$ 1,500         | \$ 1,500         |
| - Giveaways (potatoes & other)             |  |  | \$ -             | \$ 150           |
| - One Growers' attendance                  |  |  | \$ 4,500         | \$ 2,500         |
| SNX (smaller Snaxpo in FY24)               |  |  | \$ 5,000         | \$ -             |
| AutumnFest                                 |  |  | \$ 600           | \$ -             |
| NPAA @ Potato Expo                         |  |  | \$ 1,800         | \$ -             |
| National Restaurant Show                   |  |  | \$ 1,000         | \$ 1,000         |
| Michigan WIC Conference                    |  |  | \$ -             | \$ 250           |
| School Nutrition Association of Michigan   |  |  | \$ 1,000         | \$ 1,600         |
| Posen Potato Festival                      |  |  | \$ 1,500         | \$ -             |
| Edmore Potato Festival                     |  |  | \$ 1,500         | \$ -             |
| Produce Marketing Association Fresh Summit |  |  | \$ -             | \$ 1,000         |
| Other                                      |  |  | \$ 1,000         | \$ 1,000         |
| <b>Total</b>                               |  |  | <b>\$ 25,900</b> | <b>\$ 15,500</b> |

**604 Public Relations**

Includes all expenses associated with promotional activities including events, and radio promotions.

|   |                          |  | FY22             | FY23             |
|---|--------------------------|--|------------------|------------------|
| - Ag Day at the Capitol   |                          |  | \$ 750           | \$ -             |
| - Potato Day at the Capitol                                       |                          |  | \$ 5,000         | \$ 5,000         |
| - FARM Science Lab (Fall 2021 through Spring 2025 - renew FY2026) |                          |  | \$ 5,000         |                  |
| - Grocery Giveaway  |                          |  | \$ 2,400         | \$ -             |
| - FFA Foundation  |                          |  |                  |                  |
|   | Business & Industry Tour |  | \$ 2,500         | \$ 2,500         |
|   | Prepared Public Speaking |  | \$ 2,500         | \$ 2,500         |
| - IQ Hub Transportation Grants to Schools                         |                          |  | \$ 1,000         | \$ 1,000         |
| Other   |                          |  | \$ 1,000         | \$ 500           |
| <b>Total</b>  |                          |  | <b>\$ 20,150</b> | <b>\$ 11,500</b> |

**605 Publication Advertising**

Includes all expenses associated with advertising in publications and social media platforms.

|                            |  |  | FY22            | FY23            |
|----------------------------|--|--|-----------------|-----------------|
| - NPC Statistical Yearbook |  |  | \$ 925          | \$ 925          |
| - Social Media Marketing   |  |  | \$ 5,000        | \$ 1,000        |
| - Other                    |  |  | \$ 1,000        | \$ 1,000        |
| <b>Total</b>               |  |  | <b>\$ 6,925</b> | <b>\$ 2,925</b> |

**607 Promotional Materials**

Includes all expenses associated with logoed promotional items, printing and display materials.

|   |  |  | FY22     | FY23     |
|---|--|--|----------|----------|
| - Handouts, Brochures, and Display Graphics |  |  | \$ 1,000 | \$ 500   |
| - Giveaways                                 |  |  | \$ 1,000 | \$ 2,000 |
| - Potato Chips                              |  |  | \$ 2,600 | \$ 2,000 |
| - MDARD Facts & Figures Booklet             |  |  | \$ 500   | \$ 500   |

2021-22 Budget Explanation  
Michigan Potato Industry Commission

|       |  |          |          |
|-------|--|----------|----------|
| Total |  | \$ 5,100 | \$ 5,000 |
|-------|--|----------|----------|

**630 Research Expense**

Includes all expenses related to research gifts based on the Research Committee recommendations and approved at the February Commission Meeting

|  | FY22              | FY23              |
|--|-------------------|-------------------|
| Improvement of Integrated Management Strategies for Potato Foliar, Seed, and Postharvest Disease Concerns in MI                | \$ 11,524         | \$ 25,000         |
| Screening of Novel Russet Varieties for Adaptation to a MI Production Environment  | \$ 17,404         | \$ 9,125          |
| Enhancing Potato Quality Through Genetic Improvement and Variety Development   | \$ 12,250         | \$ 25,000         |
| Screening of Yellow Flesh and Red Skinned Potato Varieties for Adaptation to a MI Production Environment                       | \$ 14,342         | \$ 15,300         |
| Evaluating New Potato Varieties for Herbicide Sensitivity and Investigating Integrated Weed Management Strategies for Potatoes | \$ 30,000         | \$ 14,343         |
| Understanding the Benefits of Sensor-Based Irrigation Scheduling Method in Irrigated Potato Fields                             | \$ 7,700          | \$ 20,000         |
| Enhancing Soil Health in U.S. Potato Production Systems  | \$ 14,900         | \$ 14,933         |
| Environweather Degree Day Model for the Colorado Potato Beetle in MI   | \$ 25,000         | \$ 5,000          |
| Verticillium spp. Potato Field Survey Across MI  | \$ 6,000          | \$ 10,000         |
| Targeted Potato Research within MI's Upper Peninsula to Meet Producer Needs and Support Growth of the Potato Industry          | \$ 30,000         | \$ 8,832          |
| Linking Plant Health with Soil Health Indicators: Integrating Data in a Systems Approach                                       |                   | \$ 20,000         |
| MI Potato Soil Health: 2012-2022--George Bird  |                   | \$ 11,765         |
| <b>Total</b>   | <b>\$ 169,120</b> | <b>\$ 179,298</b> |

**640 Grant Expense**

Includes all expenses related to fulfilling grants awarded from outside entities. Variance is related to actual grants received. There are no grant expenses in FY 20-21.

|   | FY22              | FY23              |
|---|-------------------|-------------------|
| 640.192 2019 SCBG - PED (\$97,967)  | \$ 56,201         | \$ -              |
| 640.201 2020 SCBG--ID of varieties with postharvest disease resistance (\$85,625) | \$ 68,500         | \$ 17,125         |
| 640.5 2021 Potato Inspiratons (EXTRA SCBG)(\$67,000)                              | \$ 20,667         | \$ -              |
| 640.12 2021 Climate Resilience (Douches) \$100K                                   | \$ -              | \$ 97,840         |
| 640.4 2021 Nutrition Communications \$120K  | \$ 72,000         | \$ 60,000         |
| 640.21 2022 Processors Tour \$10k   |                   | \$ 10,000         |
| 640.22 2022 Building Relationships with Potatoes \$125K                           |                   | \$ 75,000         |
| 640.23 2022 Volunteer Potatoes and CBP \$100K                                     |                   | \$ 20,000         |
| <b>Total</b>  | <b>\$ 217,368</b> | <b>\$ 279,965</b> |

**645 Winter Potato Conference Expense**

Includes all expense related to holding the Winter Potato Conference.

|                       | FY22             | FY23             |
|-----------------------|------------------|------------------|
| Meals 150 ppl @ \$230 | \$ 34,500        | \$ 39,000        |
| Room/Equipment Rental | \$ 9,350         | \$ 11,000        |
| Printing              | \$ 1,600         | \$ 1,600         |
| Awards & Door Prizes  | \$ 4,400         | \$ 4,400         |
| Speakers              | \$ 2,000         | \$ 2,000         |
| <b>Total</b>          | <b>\$ 51,850</b> | <b>\$ 58,000</b> |

2021-22 Budget Explanation  
Michigan Potato Industry Commission

**660 Grower Relations Expense**

Includes all expenses associated with programs and interactions with Michigan potato growers. Sub account 662 - Special Projects is for one-time projects.

|     |                                     |  | FY22             | FY23             |
|-----|-------------------------------------|--|------------------|------------------|
| 660 | General Grower Relations            |  | \$ 10,000        | \$ 12,300        |
|     | - IPM Alliance                      |  | \$ 500           | \$ 500           |
|     | - Business Meals                    |  | \$ 500           | \$ 500           |
|     | - Grower Meetings                   |  | \$ 500           | \$ 500           |
|     | - Higher Hopes Donation             |  | \$ 1,000         | \$ 1,000         |
|     | - Montcalm Field Day                |  | \$ 1,500         | \$ 2,800         |
|     | - Scholarship                       |  | \$ 1,000         | \$ 1,000         |
|     | - MI AG CORE                        |  | \$ 5,000         | \$ 5,000         |
|     | - Other                             |  | \$ -             | \$ 1,000         |
| 663 | Special Projects                    |  | \$ 15,500        | \$ 6,500         |
|     | - Chip Processing Tour              |  |                  | \$ 3,000         |
|     | - Industry Weekend                  |  | \$ 12,000        | \$ -             |
|     | Midwest Water Use Council Field Day |  | \$ 3,000         | \$ 3,000         |
|     | - IPM Alliance EPA Tour             |  | \$ 500           | \$ 500           |
|     | <b>Total</b>                        |  | <b>\$ 25,500</b> | <b>\$ 18,800</b> |

**670 Storage Facilities Expense**

Includes all expenses associated with the maintenance and operations of the Montcalm Storage Facilities. Including upgrades to the bin storage plenums, bin heaters, crushed concrete and grading, and office computer. Variance is related to anticipated cost based on updating humi-cell for both buildings. For FY22-23 plans include filling all 8 bins with potatoes purchased by MPIC at an out of the field cost of \$10.50 per cwt, 31 box bins, 12 Black Tray samples (6 russet varieties and 6 chipping varieites). Box bins include 6 Potatoes USA Early Generation varieties with National Chip Variety Trialing Program revenue offsetting part of their sugar sample costs (451).

|     |  |  | FY22      | FY23      |
|-----|--|--|-----------|-----------|
| 670 | General Expense                        |  | \$ 57,060 | \$ 65,372 |
|     | - Taxes                                |  | \$ 3,300  | \$ 3,300  |
|     | - Equipment                            |  | \$ 1,000  | \$ 1,000  |
|     | (computer replacement & equip service) |  |           |           |
|     | - Equipment Insurance                  |  | \$ 215    | \$ 215    |
|     | - Farm Manager                         |  | \$ 7,500  | \$ 7,500  |
|     | - Techmark                             |  | \$ 43,120 | \$ 47,432 |
|     | - Humi-cell replacement                |  | \$ -      | \$ 4,000  |
|     | Annual ventilation service contract    |  | \$ 1,125  | \$ 1,125  |
|     | Annual refrigeration service contract  |  | \$ 800    | \$ 800    |
| 671 | Cargill Building (West)( Bin 1-6)      |  | \$ 54,495 | \$ 58,370 |
|     | -Insurance                             |  | \$ 1,145  | \$ 1,145  |
|     | -Potatoes (6 bins)                     |  | \$ 35,000 | \$ 37,000 |
|     | -Utilities                             |  | \$ 8,750  | \$ 9,625  |



2021-22 Budget Explanation  
Michigan Potato Industry Commission

|     |                                 |  |  |                   |                   |
|-----|---------------------------------|--|--|-------------------|-------------------|
|     | -Grading & Hauling              |  |  | \$ 8,600          | \$ 9,600          |
|     | -Other                          |  |  | \$ 1,000          | \$ 1,000          |
| 672 | Kudwa Building (East) (Bin 7-9) |  |  | \$ 25,804         | \$ 28,439         |
|     | - Insurance                     |  |  | \$ 954            | \$ 954            |
|     | - Potatoes (3 bins)             |  |  | \$ 13,200         | \$ 14,200         |
|     | - Utilities                     |  |  | \$ 6,350          | \$ 6,985          |
|     | - Grading & Hauling             |  |  | \$ 4,300          | \$ 5,300          |
|     | - Other                         |  |  | \$ 1,000          | \$ 1,000          |
|     | <b>Total</b>                    |  |  | <b>\$ 137,359</b> | <b>\$ 152,181</b> |

**680 Industry and University Liaison Expense**

Includes MPIC's portion (50%) of the funding for the integrator position at Michigan State University. Reflects a 3.0% increase from current year for integrator position.

|                            | FY22             | FY23             |
|----------------------------|------------------|------------------|
| <b>MPIC Portion of IUL</b> | <b>\$ 63,944</b> | <b>\$ 67,147</b> |

**685 Potato Research Technician Expense**

Includes MPIC's cost associated with funding the Research Technician position at Michigan State University. Reflects a 3.0% increase from current year.

|  | FY22             | FY23             |
|--|------------------|------------------|
| <b>Potato Research Technician Position</b> | <b>\$ 76,230</b> | <b>\$ 76,230</b> |

**700 Administrative Cost**

FY22 Includes all cost associated with administrative cost associated with salaried and hourly employees. Budget includes salary increases for all permanent employees.

|  | FY22              | FY23              |
|--|-------------------|-------------------|
| 701 Salaries   | \$ 244,618        | \$ 257,678        |
| 702 Employer FICA  | \$ 21,429         | \$ 22,577         |
| 703 Employer Health Insurance                                | \$ 19,874         | \$ 20,371         |
| 704 Employer Retirement                                      | \$ 8,850          | \$ 8,854          |
| 705 MESC/FUTA- <b>INCREASED BASE TO \$9500 FROM \$9K 202</b> | \$ 2,433          | \$ 4,000          |
| 706 Hourly Wages   | \$ 35,496         | \$ 37,440         |
| 707 STD/LDT/Group Life                                       | \$ 3,207          | \$ 3,235          |
| 709 Dental and Vision Insurance                              | \$ 1,893          | \$ 2,209          |
| <b>Total</b>   | <b>\$ 337,800</b> | <b>\$ 356,364</b> |

**710 Hired Services**

Includes all contract services including information technology, writing, graphic design and bookkeeping. The budget includes continued enhancement of the website.

|   | FY22     | FY23      |
|---|----------|-----------|
| Midwest Water Stewards--Well data collection and monitoring         | \$ -     | \$ 13,500 |
| - Graphic Design  | \$ -     | \$ -      |
| - Video   | \$ -     | \$ -      |
| Website Licensing & Enhancements (Gravity Works, Network Solutions) | \$ 4,000 | \$ 4,000  |

2021-22 Budget Explanation  
Michigan Potato Industry Commission

|                                   |  |                 |                  |
|-----------------------------------|--|-----------------|------------------|
| - Information Technology (NuWave) |  | \$ 3,000        | \$ 2,000         |
| <b>Total</b>                      |  | <b>\$ 7,000</b> | <b>\$ 19,500</b> |

**720 Office Operations**

Includes all expenses associated with operational function of the office. Includes Potato LEAF donation for FY23 and will continue through FY24.

|     |   | FY22             | FY23             |
|-----|---|------------------|------------------|
| 721 | Postage   | \$ 2,000         | \$ 1,500         |
| 722 | Phone & Internet  | \$ 3,620         | \$ 3,700         |
| 723 | Office Supplies   | \$ 2,500         | \$ 2,500         |
| 730 | Office Equipment  |                  |                  |
|     | - Copier  | \$ 1,000         | \$ 1,000         |
|     | - Cell Phone (Mkt Manager)  | \$ 1,300         | \$ 1,300         |
|     | - Cell Phone (Bus. Manager)                                       | \$ 1,300         | \$ 1,300         |
|     | - Cell Phone (Exec. Dir)  | \$ 1,300         | \$ 1,300         |
|     | - Cell Phone (Education & Outreach Spec)                          | \$ 1,300         | \$ 1,300         |
|     | - Replace computers (1)   | \$ 2,200         | \$ 2,200         |
|     | - Other   | \$ 500           | \$ 500           |
| 728 | Professional Development  |                  |                  |
|     | - OrgPro (2)  | \$ 1,000         | \$ 1,000         |
|     | -Finance/Accounting   |                  | \$ 500           |
|     | - Marketing   |                  | \$ 500           |
|     | - CEO Mentorship  | \$ 600           | \$ 600           |
|     | - Other   | \$ 500           | \$ -             |
| 750 | Dues & Subscriptions  |                  |                  |
|     | - Mich. Society of Assoc. Exec.                                   | \$ 390           | \$ 390           |
|     | - Amer. Society of Assoc. Exec.                                   | \$ 595           | \$ 595           |
|     | -MSAE Salary Survey   | \$ 149           | \$ 150           |
|     | - Michigan Chamber of Comm.                                       | \$ 395           | \$ 395           |
|     | - Potato Association of America                                   | \$ 500           | \$ 500           |
|     | - Potato Sustainability Alliance                                  |                  | \$ 500           |
|     | - International Fresh Produce (Specialty Crop Farm Bill Alliance) |                  | \$ 750           |
|     | - Amazon Business Account   | \$ 179           | \$ 179           |
|     | - SNaC International  | \$ 1,000         | \$ 1,000         |
|     | - North American Potato (market report)                           | \$ 6,120         | \$ 6,720         |
|     | - Software Licensing  | \$ 9,495         | \$ 8,930         |
|     | - Potato LEAF Donation YR 3 of 4                                  | \$ 12,500        | \$ 12,500        |
|     | - Stamps.com monthly fee(17.99/month)                             | \$ 220           | \$ 220           |
|     | - Other   | \$ 500           | \$ 500           |
| 752 | Other Business Charges  | \$ 500           | \$ 1,000         |
| 753 | Bank Fees (includes payroll, stop payment, W-2/W-3 charges)       | \$ 5,200         | \$ 1,320         |
| 754 | Credit Card Trans. Fees   | \$ -             | \$ 2,000         |
|     | <b>Total</b>  | <b>\$ 56,863</b> | <b>\$ 56,849</b> |

**732 Office Rent Expense**

Includes all expenses related to contracted office rent including all utilities except phone and Internet. Five year lease expires in Oct. 2018, extended lease for additional five years to Oct. 2023. Includes a 3% increase in '18 and 2% each consecutive year.

|      |      |
|------|------|
| FY22 | FY23 |
|------|------|

2021-22 Budget Explanation  
Michigan Potato Industry Commission

|                            |                  |                  |
|----------------------------|------------------|------------------|
|                            |                  |                  |
| <b>Office Rent Expense</b> | <b>\$ 22,773</b> | <b>\$ 23,226</b> |

**740 Insurance Expense**

Includes all expenses related to insurance coverage including personal property, liability, workman's compensation and Director & Office Liability. Insurance on the Montcalm Storage building and equipment is included in accounts 670, 671 and 672.

|                                |  | FY22            | FY23            |
|--------------------------------|--|-----------------|-----------------|
| - General Liability            |  | \$ 296          | \$ 296          |
| - Workman's Compensation       |  | \$ 627          | \$ 627          |
| - Personal Property            |  | \$ 128          | \$ 128          |
| - Laptop Computers             |  | \$ 59           | \$ 59           |
| - Umbrella                     |  | \$ 587          | \$ 587          |
| - Director & Officer Liability |  | \$ 2,024        | \$ 2,024        |
| - Key Person Life Policy       |  | \$ 253          | \$ 253          |
| - Employee Bond                |  | \$ 184          | \$ 184          |
| <b>Total</b>                   |  | <b>\$ 4,158</b> | <b>\$ 4,158</b> |

**744 Legal Service Expense**

Includes all expenses related to legal and audit services.

|     |              | FY22            | FY23            |
|-----|--------------|-----------------|-----------------|
| 745 | Legal        | \$ 1,000        | \$ 1,000        |
| 747 | Audit        | \$ 7,980        | \$ 8,150        |
|     | <b>Total</b> | <b>\$ 8,980</b> | <b>\$ 9,150</b> |

**760 Travel Expense**

Includes all travel for both employees, commissioners, committee members and other growers travel on business for MPIC.

|     |  | FY22             | FY23             |
|-----|--|------------------|------------------|
| 761 | Employee Travel Expense                        | \$ 39,250        | \$ 40,000        |
|     | - State/National Workshop (1)                  | \$ 2,000         | \$ 2,000         |
|     | - Pot. USA Summer Meeting                      | \$ 1,500         | \$ 2,000         |
|     | - Potato Expo (1)                              | \$ 2,000         | \$ 2,000         |
|     | - NPC DC Fly-in                                | \$ 1,800         | \$ 1,800         |
|     | - Pot. USA Annual (1)                          | \$ 1,800         | \$ 1,800         |
|     | - NPC Manager Fly-in                           | \$ 1,800         | \$ 1,800         |
|     | - Snaxpo (March 2023)                          | \$ 2,250         | \$ 3,200         |
|     | -SNX (smaller Snaxpo, March 2024)              | \$ 2,250         |                  |
|     | - National Restaurant Show (1)                 | \$ 1,800         | \$ 1,800         |
|     | - American Food and Beverage                   | \$ -             | \$ -             |
|     | Produce Marketing Association Fresh Summit     | \$ 2,050         | \$ 1,800         |
|     | - NPC Summer Meeting                           | \$ -             | \$ 1,100         |
|     | - Other National Meetings (national chip, US/C | \$ 2,500         | \$ 1,500         |
|     | - Michigan WIC Conference                      |                  |                  |
|     | Org Pro  | \$ -             | \$ 1,000         |
|     | - MABA Outlook Conference                      | \$ 500           | \$ 1,200         |
|     | - In-state Travel                              | \$ 17,000        | \$ 17,000        |
| 762 | Grower Travel                                  | \$ 1,000         | \$ 1,000         |
|     | <b>Total</b>                                   | <b>\$ 40,250</b> | <b>\$ 41,000</b> |

**800 Meeting Expense**

2021-22 Budget Explanation  
Michigan Potato Industry Commission

Includes all expenses associated with commission and committee meeting expenses. Commission

|     |   |  | FY22            | FY23            |
|-----|---|--|-----------------|-----------------|
| 801 | Commission (incl. training for new comm.) |  | \$ 3,600        | \$ 4,600        |
| 802 | Fresh Marketing Committee                 |  | \$ 50           | \$ 50           |
| 803 | Variety Release Committee                 |  | \$ 200          | \$ 250          |
| 804 | Research Committee                        |  | \$ 550          | \$ 600          |
| 805 | Storage & Handling Committee              |  | \$ 150          | \$ 250          |
|     | <b>Total</b>                              |  | <b>\$ 4,550</b> | <b>\$ 5,750</b> |

**820 National Potato Council Expense**

Includes all expenses associated with grower participation in activities of the National Potato Council with MPIC covering the cost for Board Members. The variance is based on MPIC covering the cost of participants, many of which cover their own cost.

|     |                            |  | FY22             | FY23             |
|-----|----------------------------|--|------------------|------------------|
| 820 | Market Access Contribution |  | \$ 1,000         | \$ 1,000         |
| 828 | NPC Meetings               |  | \$ 14,000        | \$ 16,000        |
|     | - Annual Meeting           |  | \$ 1,000         | \$ 1,000         |
|     | - DC Fly-in                |  | \$ 7,000         | \$ 7,000         |
|     | - Leadership Institute     |  | \$ 6,000         | \$ 6,000         |
|     | - Summer Meeting           |  |                  | \$ 2,000         |
| 829 | NPC Dues                   |  | \$ 29,201        | \$ 29,201        |
|     | <b>Total</b>               |  | <b>\$ 44,201</b> | <b>\$ 46,201</b> |

# Crop Year Assessment Comparison

2017-2022

|                           | Fiscal Year 2017-18 |                      | Fiscal Year 2018-19 |                               | Fiscal Year 2019-20 |                      | Fiscal Year 2020-21  |                      | Fiscal Year 2021-22  |                      | Fiscal Year 2022-23  |             | Three Crop Year Avg | Five Crop Year Avg |
|---------------------------|---------------------|----------------------|---------------------|-------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------|---------------------|--------------------|
|                           | 2016 Crop           | 2017 Crop            | 2017 Crop           | 2018 Crop                     | 2018 Crop           | 2019 Crop            | 2019 Crop            | 2020 Crop            | 2020 Crop            | 2021 Crop            | 2021 Crop            | 2022 Crop   |                     |                    |
| 1st Quarter - July-Sept   |                     | \$ 150,163.22        | \$ 45,103.29        |                               | \$ 1,924.37         |                      |                      |                      |                      | \$ 153,755.37        |                      |             | \$ 51,893           | \$ 70,189          |
| 2nd Quarter - Oct-Dec     |                     | \$ 297,197.24        |                     | \$ 257,700.70                 |                     | \$ 164,282.01        |                      | \$ 188,110.99        |                      | \$ 371,635.13        |                      |             | \$ 241,343          | \$ 236,261         |
| 3rd Quarter - Jan-Mar     |                     | \$ 292,816.04        |                     | \$ 311,533.71                 |                     | \$ 302,218.28        |                      | \$ 309,910.92        |                      | \$ 281,093.28        |                      |             | \$ 297,741          | \$ 299,514         |
| 4th Quarter - Apr-June    | \$ 15,775.20        | \$ 190,974.69        | \$ 373,991.69       | \$ 465,571.10                 | \$ 180,032.15       | \$ 266,967.94        | \$ 162,055.15        | \$ 160,000.00        |                      |                      |                      |             | \$ 358,209          | \$ 331,074         |
| <b>Total</b>              | <b>\$ 15,775.20</b> | <b>\$ 931,151.19</b> | <b>\$ 45,103.29</b> | <b>\$ 943,226.10</b>          | <b>\$ 1,924.37</b>  | <b>\$ 932,071.39</b> | <b>\$ 180,032.15</b> | <b>\$ 764,989.85</b> | <b>\$ 162,055.15</b> | <b>\$ 806,483.78</b> | <b>\$ 160,000.00</b> | <b>\$ -</b> | <b>\$ 949,186</b>   | <b>\$ 956,562</b>  |
| CWT Assessed              | 14,746,839          | 16,270,908           | 15,752,508          | 18,535,059                    | 15,450,750          | 16,108,063           |                      |                      |                      |                      |                      |             |                     |                    |
| USDA Est. Harvest - CWT   | 17,020,000          | 17,205,000           | 19,475,000          | 20,370,000                    | 19,530,000          | 17,390,000           |                      |                      |                      |                      |                      |             |                     |                    |
| % of USDA Est. Assessed   | 86.64%              | 94.57%               | 80.89%              | 90.99%                        | 79.11%              | 92.63%               |                      |                      |                      |                      |                      |             |                     |                    |
| USDA Est. Plant - Acres   | 47000               | 47000                | 50000               | 49000                         | 50000               | 49000                |                      |                      |                      |                      |                      |             |                     |                    |
| USDA Est. Harvest - Acres | 46500               | 46500                | 49000               | 48000                         | 47000               | 47000                |                      |                      |                      |                      |                      |             |                     |                    |
| USDA 5 yr Yield           | 370                 | 400                  | 410                 | 380                           | 380                 | 390                  |                      |                      |                      |                      |                      |             |                     |                    |
| USDA Plant to Harvest     | 98.94%              | 98.94%               | 98.00%              | 97.96%                        | 94.00%              | 95.92%               |                      |                      |                      |                      |                      |             |                     |                    |
|                           |                     |                      |                     | <i>Estimated CWT Assessed</i> | 18,535,059          | 15,450,750           | 16,108,063           |                      |                      |                      |                      |             |                     |                    |
|                           |                     |                      |                     | <i>Estimated Assessment</i>   | \$ 1,112,104        | \$ 927,045           | \$ 966,484           |                      |                      |                      |                      |             |                     |                    |
|                           |                     |                      |                     | <i>Budgeted Assessment</i>    | \$ 1,078,740        | \$ 908,504           | \$ 947,154           |                      |                      |                      |                      |             |                     |                    |

| Total Assessments Collected |                 |                 |                                       |
|-----------------------------|-----------------|-----------------|---------------------------------------|
| Summary                     | Crop Year       |                 | Fiscal Year                           |
| 2007 Crop Year              | \$ 624,082.25   | \$ 586,704.84   | Total Assessment \$0.05               |
| 2008 Crop Year              | \$ 624,238.39   | \$ 674,309.83   | Total Assessment \$0.05               |
| 2009 Crop Year              | \$ 668,586.00   | \$ 668,175.64   | Total Assessment \$0.05               |
| 2010 Crop Year              | \$ 728,784.77   | \$ 663,864.56   | Total Assessment \$0.05               |
| 2011 Crop Year              | \$ 687,639.31   | \$ 752,559.95   | Total Assessment \$0.05               |
| 2012 Crop Year              | \$ 697,771.61   | \$ 738,722.40   | Total Assessment \$0.05               |
| 2013 Crop Year              | \$ 710,491.55   | \$ 756,096.83   | Total Assessment \$0.05               |
| 2014 Crop Year              | \$ 716,402.48   | \$ 716,402.48   | Total Assessment \$0.05               |
| 2015 Crop Year              | \$ 808,884.13   | \$ 734,141.00   | Total Assessment \$0.05               |
| 2016 Crop Year              | \$ 811,076.17   | \$ 811,076.17   | Total Assessment increased to \$0.055 |
| 2017 Crop Year              | \$ 976,254.48   | \$ 946,926.39   | Total Assessment increased to \$0.06  |
| 2018 Crop Year              | \$ 945,150.47   | \$ 988,329.39   | Total Assessment \$0.06               |
| 2019 Crop Year              | \$ 1,112,103.54 | \$ 1,112,103.54 | Total Assessment \$0.06               |
| 2020 Crop Year              | \$ 927,045.00   | \$ 927,045.00   | Total Assessment \$0.06               |
| 2021 Crop Year              | \$ 966,483.78   |                 | Total Assessment \$0.06               |

| USDA Numbers |       |         |           |
|--------------|-------|---------|-----------|
| Year         | Yield | Planted | Harvested |
| 2007         |       | 350     | 42500     |
| 2008         |       | 350     | 43000     |
| 2009         |       | 360     | 43500     |
| 2010         |       | 360     | 44000     |
| 2011         |       | 345     | 45000     |
| 2012         |       | 350     | 46500     |
| 2013         |       | 360     | 44500     |
| 2014         |       | 370     | 43000     |
| 2015         |       | 390     | 46000     |
| 2016         |       | 370     | 47000     |
| 2017         |       | 400     | 46000     |
| 2018         |       | 380     | 50000     |
| 2019         |       | 410     | 50000     |
| 2020         |       | 380     | 49000     |
| 2021         |       | 380     | 50000     |

|                    | Current       | 2.00%         | 3.00%         | 4.00%         | 5.00%         | 6.00%         | 7.00%         |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Exec. Dir.</b>  | \$ 121,275.00 | \$ 123,700.50 | \$ 124,913.25 | \$ 126,126.00 | \$ 127,338.75 | \$ 128,551.50 | \$ 129,764.25 |
| FICA               | \$ 9,277.54   | \$ 9,463.09   | \$ 9,555.86   | \$ 9,648.64   | \$ 9,741.41   | \$ 9,834.19   | \$ 9,926.97   |
| MESC               | \$ 1,000.00   | \$ 1,000.00   | \$ 1,000.00   | \$ 1,000.00   | \$ 1,000.00   | \$ 1,000.00   | \$ 1,000.00   |
| STD/LTD/Group Life | \$ 1,193.76   | \$ 1,213.54   | \$ 1,223.44   | \$ 1,233.34   | \$ 1,243.23   | \$ 1,253.13   | \$ 1,263.03   |
| Health             | \$ 6,494.88   | \$ 6,494.88   | \$ 6,494.88   | \$ 6,494.88   | \$ 6,494.88   | \$ 6,494.88   | \$ 6,494.88   |
| Dental & Vision    | \$ 461.35     | \$ 473.36     | \$ 473.36     | \$ 473.36     | \$ 473.36     | \$ 473.36     | \$ 473.36     |
| Retirement         | \$ 3,638.25   | \$ 3,711.02   | \$ 3,747.40   | \$ 3,783.78   | \$ 3,820.16   | \$ 3,856.55   | \$ 3,892.93   |
| <b>Total</b>       | \$ 143,340.78 | \$ 146,056.38 | \$ 147,408.19 | \$ 148,760.00 | \$ 150,111.80 | \$ 151,463.60 | \$ 152,815.41 |

| <b>Exec. Dir.</b>  | Current       | 7.00% change  |
|--------------------|---------------|---------------|
|                    | \$ 121,275.00 | \$ 129,764.25 |
| FICA               | \$ 9,277.54   | \$ 9,926.97   |
| MESC               | \$ 608.20     | \$ 1,000.00   |
| STD/LTD/Group Life | \$ 1,193.76   | \$ 1,243.30   |
| Health             | \$ 6,494.88   | \$ 6,790.33   |
| Dental & Vision    | \$ 461.35     | \$ 578.50     |
| Retirement         | \$ 3,638.25   | \$ 3,892.93   |
| <b>Total</b>       | \$ 142,948.98 | \$ 153,196.27 |

| <b>Business Manager</b> | Current      | 4.50% change |
|-------------------------|--------------|--------------|
|                         | \$ 57,000.00 | \$ 59,565.00 |
| FICA                    | \$ 4,360.50  | \$ 4,556.72  |
| MESC                    | \$ 608.20    | \$ 1,000.00  |
| STD/LTD/Group Life      | \$ 692.40    | \$ 720.95    |
| Health                  | \$ -         | \$ -         |
| Dental & Vision         | \$ 461.35    | \$ 578.50    |
| Retirement              | \$ -         | \$ 1,786.95  |
| <b>Total</b>            | \$ 63,122.45 | \$ 68,208.12 |

| <b>Education and Outreach Specialist</b> | Current      | change       |
|--|--------------|--------------|
| Rate                                     | \$ 17.00     | \$ 18.00     |
| Hours/week                               | 40           | 35,360.00    |
| FICA                                     | \$ 2,694.43  | \$ 2,864.16  |
| MESC                                     | \$ 608.20    | \$ 1,000.00  |
| STD/LTD/Group Life                       | \$ 489.12    | \$ 507.00    |
| Health                                   | \$ 6,494.88  | \$ 6,790.33  |
| Dental & Vision                          | \$ 461.35    | \$ 473.36    |
| Retirement                               | \$ 1,060.80  | \$ 1,123.20  |
| <b>Total</b>                             | \$ 47,168.78 | \$ 50,198.05 |

| <b>Marketing Manager</b> | Current      | 4.50% change |
|--------------------------|--------------|--------------|
|                          | \$ 65,405.87 | \$ 68,349.13 |
| FICA                     | \$ 4,983.93  | \$ 5,228.71  |
| MESC                     | \$ 608.20    | \$ 1,000.00  |
| STD/LTD/Group            | \$ 748.20    | \$ 764.40    |
| Health                   | \$ 6,494.88  | \$ 6,790.33  |
| Dental & Vision          | \$ 461.35    | \$ 578.50    |
| Retirement               | \$ 1,962.18  | \$ 2,050.47  |
| <b>Total</b>             | \$ 80,664.60 | \$ 84,761.55 |

| <b>Intern</b>      | Rate | \$ 11.00 |
|--------------------|------|----------|
| Hours              | 0    | \$ -     |
| FICA               |      | \$ -     |
| MESC               |      | \$ -     |
| STD/LTD/Group Life |      | \$ -     |
| Health             |      | \$ -     |
| Dental & Vision    |      | \$ -     |
| Retirement         |      | \$ -     |
| <b>Total</b>       |      | \$ -     |

| <b>Intern Hour Calculation</b> |            |       |
|--------------------------------|------------|-------|
| Weeks                          | Hours/week | Hours |
|                                |            |       |

### Historic Salary for Executive Director

| Year            | Salary        | Increase |
|-----------------|---------------|----------|
| FY13-14         | \$ 95,000.00  | 5.56%    |
| FY14-15         | \$ 100,000.00 | 5.26%    |
| FY15-16         | \$ 105,000.00 | 5.00%    |
| FY16-17         | \$ 108,150.00 | 3.00%    |
| FY17-18         | \$ 111,394.00 | 3.00%    |
| FY 18-19        | \$ 117,300.00 | 5.30%    |
| FY19-20 (start) | \$ 110,000.00 | -6.22%   |
| FY20-21         | \$ 115,500.00 | 5.00%    |
| FY21-22         | \$ 121,275.00 | 5.00%    |

|               | Median     | Percent |
|---------------|------------|---------|
| Exec. Dir.    | \$ 134,840 | 96.24%  |
| Mrkt Mgr      | \$ 61,913  | 110.40% |
| Bus Mgr       | \$ 55,000  | 108.30% |
| Ed & Out Spec | \$ 37,763  | 99.14%  |

### Proposed Hourly Rates

(Based on 40/week for salary)

|                           |          |
|---------------------------|----------|
| Executive Director        | \$ 62.39 |
| Business Manager          | \$ 28.64 |
| Communication Manager     | \$ 32.86 |
| Education & Outreach Spec | \$ 18.00 |
| Intern                    | \$ -     |

### Total Commission Obligations

|                           | FY 22      | FY23       |
|---------------------------|------------|------------|
| Salary                    | \$ 243,681 | \$ 257,678 |
| Hourly                    | \$ 35,360  | \$ 37,440  |
| FICA                      | \$ 21,316  | \$ 22,577  |
| STD/LTD/GL                | \$ 3,123   | \$ 3,236   |
| MESC                      | \$ 2,433   | \$ 4,000   |
| Health                    | \$ 19,485  | \$ 20,371  |
| Dental & Vision           | \$ 1,845   | \$ 2,209   |
| Retirement                | \$ 6,661   | \$ 8,854   |
| <b>Total</b>              | \$ 333,905 | \$ 356,364 |
| Net increase in Salaries* |            | 105.76%    |
| Net increase in Payroll*  |            | 106.73%    |

\* Don't include intern salary/payroll

## 2022 Calendar of Events

### Michigan Potatoes

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#### **January**

Jan. 5-7 Potato Expo, Anaheim Convention Center, Anaheim, CA  
Jan. 18-19 MI Ag CORE –Personality Profiles  
Jan. 20 MPIC Research Committee Meeting

#### **February**

Feb. 2 MPIC Commission Meeting, Amway Grand in Grand Rapids  
Feb. 2 Variety Release Committee Meeting, Amway Grand in Grand Rapids  
Feb.2-4 Winter Potato Conference, Amway Grand in Grand Rapids  
Feb 15 MI Ag CORE—Teambuilding with Disc  
Feb 25 PGMI Chili Cookoff  
Feb. 23-28 Potato Industry Leadership Institute, Michigan  
Feb. 28-Mar 3 NPC DC Fly-in

#### **March**

Mar. 7-10 Potatoes USA Annual Meeting, Denver, CO  
March 15 MI Ag CORE --Communications  
Mar. 18 School Nutrition Association of MI Annual Conference (tentative)  
Mar. 27-29 SNX Education and Collaboration Forum

#### **April**

#### **May**

May 4 Michigan WIC Conference, online  
May 10-12 NPC State Managers DC Fly-in, Washington, DC  
May 20-24 National Restaurant Show, Chicago

#### **June**

June 8 MPIC Commission Meeting, East Lansing  
June 15-17 NPC Summer Meeting, Nashville, TN  
June 22 Potato Day at the Capitol

#### **July**

July 13-14 MSPA Summer Meeting, Gaylord  
July 19 MI Ag CORE—Organizational Governance

#### **August**

Aug. 1-3 Potatoes USA Summer Meeting, Laguna Beach, CA  
Aug. 4 MPIC Research Committee Meeting  
Aug. 4 Montcalm Field Day  
Aug. 16 MI Ag CORE—Human Resources  
Aug. 22-24 MI IPM Alliance Tour  
Aug. Presque Isle Potato Field Day  
Aug. Upper Peninsula Potato Field Day

## **September**

Sept. 13-15 Chip Processors Tour  
Sept. 16-18 MABA Outlook Conference  
Sept. 23-25 American Food and Beverage Show, Miami, FL  
Sept. 19-22 Potatoes USA, State National Workshop, Charleston, SC

## **October**

Oct. Produce Marketing Association Fresh Summit

## **November**

Nov. 2 Upper Peninsula Potato Banquet  
Nov. 22 MI Ag CORE Final Session  
Nov. 29-30 USA/Canada Industry Meeting, NPC Disease Mgmt. Committee, PAA Seed Certification Section Meeting

## **December**

Dec. 6-8 Great Lakes Expo, Grand Rapids  
Dec. 6-7 Chip Committee Meeting, Chicago  
Dec. 14-15 MPIC/PGMI Meetings

## **2023 Events**

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### **January**

Jan. 3-5 Potato Expo, Gaylord Rockies, Aurora, CO  
Jan. 17-18 MI Ag CORE –Personality Profiles  
Jan. 19 MPIC Research Committee Meeting  
Jan. 31 MPIC Commission Meeting, Amway Grand Hotel, Grand Rapids  
Jan. 31 Variety Release Committee Meeting, Amway Grand Hotel, Grand Rapids

### **February**

Feb. 1-3 Winter Potato Conference, Amway Grand Hotel, Grand Rapids  
Feb 14 MI Ag CORE—Teambuilding with Disc  
Feb 24 PGMI Chili Cookoff  
Feb. 22-27 Potato Industry Leadership Institute, Michigan  
Feb. 27-Mar 2 NPC DC Fly-in

### **March**

Mar. 7-10 Potatoes USA Annual Meeting, Denver, CO  
March 14 MI Ag CORE --Communications  
Mar. 17 School Nutrition Association of MI Annual Conference (tentative)  
Mar. 19-23 Snaxpo, Orlando, FL



## MPIC Dates for FY23 Meetings

MDARD requires dates be set ahead of time and notification sent prior to the meetings.

### Suggested dates for FY 23 meetings:

December 14, 2022—joint issues surfacing meeting with PGMI

December 15, 2022

January 31, 2023

June 7, 2023

## Potatoes USA Board Appointment Process

The Michigan Potato Industry Commission is seeking nominations for individuals to represent Michigan on the Potatoes USA Board of Directors. The Michigan potato industry may appoint four members to the Potatoes USA Board of Directors, where each board member serves for a three-year term and is eligible to be reappointed for a second term.

Individuals that are currently representing Michigan are:

1. **Scott Hanson** – His current term is through 2023. In 2023, MPIC needs to nominate a new grower.
2. **Ryan Tucker**—His current term is through 2024. In 2024, he will be up for re-nomination for another 3-year term if he chooses.
3. **Erwin Styma**-- His current term is through 2025. In 2025, he will be up for re-nomination for another 3-year term if he chooses.
4. **Alison Sklarczyk**- Her current term is through 2025. In 2025, she will be up for re-nomination for another 3-year term if she chooses.

***Action: nominate one grower for consideration by the US Secretary of Agriculture to serve on the Potatoes USA Board of Directors.***

## 2022 Commission Appointment Process

All MPIC commissioner's terms will expire on July 1, 2022. Under the current structure of the Michigan Potato Industry Commission, each sector (chip, fresh, and seed) is allotted two seats on the Commission. Below is the timeline for the process.

### 2022 Timeline for Michigan Potato Industry Commission Appointment Process

|          |  |
|----------|--|
| Jan 3    | Mailing to growers to submit names for segments (chip, fresh, seed)  |
| Jan 31   | Deadline to submit names for segments  |
| Feb 2    | Commission approve names for fresh shipper, processor shipper and at-large seats   |
| Feb 28   | Deadline for Exec. Director to contact all nominees and put together final roster for Governor's Office (2 names for each of the nine seats) |
| March 15 | Communication to all nominees on final roster to submit application to Governor's Office   |
| April 1  | Deadline for nominees to submit application to Governor's Office   |
| July 1   | New commission members appointed   |

**Policy Title: Unity of Control**

4.1 Only officially passed motions of the board are binding on the Executive Director.

Accordingly:

4.1.1 Decisions or instructions of individual board members, officers, or committees are not binding on the Executive Director except in rare instances when the board has specifically authorized such exercise of authority.

4.1.2 In the case of board members or committees requesting information or assistance without board authorization, the Executive Director can refuse such requests that require, in the Executive Director's opinion, a material amount of staff time or funds or is disruptive.

4.1.2.1 (MPIC only) All information is FOIA accessible in accordance with the law.

1. Are we in compliance with the policy as stated? If no, please identify concern.

2. If you answered no, how do you think we could improve our process to be in full compliance?

3. What do we need to learn or discuss to live by this policy more completely?

**Policy Title: Accountability of the Executive Director**

4.2 The Executive Director is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the Executive Director.

Accordingly:

4.2.1 The board will never give instructions to persons who report directly or indirectly to the Executive Director.

4.2.2 The board will not evaluate, either formally or informally, any staff other than the Executive Director.

4.2.3 The board will view Executive Director performance as identical to organizational performance, so that organizational accomplishment of board stated Ends and avoidance of board proscribed means will be viewed as successful Executive Director performance.

1. Are we in compliance with the policy as stated? If no, please identify concern.

2. If you answered no, how do you think we could improve our process to be in full compliance?

3. What do we need to learn or discuss to live by this policy more completely?

**Policy Title: Delegation to the Executive Director**

4.3 The board will instruct the Executive Director through written policies which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the Executive Director to use any reasonable interpretation of these policies.

Accordingly:

4.3.1 The board will develop policies instructing the Executive Director to achieve certain results, for certain recipients at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies.

4.3.2 The board will develop policies which limit the latitude the Executive Director may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.

4.3.3 As long as the Executive Director uses any reasonable interpretation of the board's Ends and Executive Limitations policies, the Executive Director is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.

4.3.4 The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and Executive Director domains. By doing so, the board changes the latitude of choice given to the Executive Director. But as long as any particular delegation is in place, the board will respect and support the Executive Director's choices.

1. Are we in compliance with the policy as stated? If no, please identify concern.

2. If you answered no, how do you think we could improve our process to be in full compliance?

3. What do we need to learn or discuss to live by this policy more completely?

**Policy Title: Monitoring Executive Director Performance**

4.4 Systematic and rigorous monitoring of Executive Director job performance will be solely against the only expected Executive Director job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations.

Accordingly:

4.4.1 Monitoring is simply to determine the degree to which board policies are being met. Data which do not do this will not be considered to be monitoring data.

4.4.2 The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the Executive Director discloses compliance information to the board. (b) by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies, and (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.

4.4.3 In every case, the standard for compliance shall be any reasonable Executive Director interpretation of the board policy being monitored. The board is final arbiter of reasonableness but will always judge with a "reasonable person" test rather than with interpretations favored by board members or by the board as a whole.

4.4.4 All policies which instruct the Executive Director will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule as listed in Appendix A.

1. Are we in compliance with the policy as stated? If no, please identify concern.

2. If you answered no, how do you think we could improve our process to be in full compliance?

3. What do we need to learn or discuss to live by this policy more completely?

**Policy Title: Global Governance-Management Connection**

4.0 The board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer, titled Executive Director.

1. Are we in compliance with the policy as stated? If no, please identify concern.

2. If you answered no, how do you think we could improve our process to be in full compliance?

3. What do we need to learn or discuss in order to live by this policy more completely?