

GREAT LAKES FALL ISSUE 2014



VOLUME 2014, ISSUE 2

PRESIDENT'S NOTE

Hello NSAC Great Lakes Members! The National Tax and Accounting Conference was excellent this year. The sessions this year at TACC were very informative; personally I enjoyed the clarifications this year on lease accounting, as the organization I work for will be greatly affected by these rule changes. We had a few Great Lakes members in attendance this year, including some of our members who serve on National Committees; including Ralph on Newsletter Development, Kent serving as Chair of Chapter Development, and our National Director Jeff Brandenburg were all in attendance....along with several other usual suspects.

San Diego was beautiful. This was my first time there, and the weather was everything I had heard about....very nice almost all the time! The Presidents Reception took place on a boat in San Diego harbor, with plenty of great food and drinks to be had.

Tuesdays General Session kicked off with former NFL Ref Jerry Markbriet (I thought that guy looked familiar!). Mr. Markbriet had some great insight into making quick decisions and how that can affect many areas of your work life. He also had some great stories from his time as an NFL Ref, many of which were very humorous. The networking and general atmosphere of the conference was as excellent as I remember it being.

As always, I encourage you all to attend TACC. Don't cheat yourself out of this great experience. See you all at TACC in Denver next year!

Jeff Thompson

IMPORTANT DATES

MARCH 2015

BOARD MEETING

JUNE 2015

ANNUAL MEETING, ILLINOIS

AUGUST 2015 NATIONAL Tax, Finance and Accounting Conference for Cooperatives

DENVER, COLORADO

MEMBERSHIP REPORT

As of July 31, 2014 the membership of our chapter was 124 – up 2 members since my last report. Please join me in welcoming the following new members to the Great Lakes Chapter, since our last newsletter:

- Tina Larson – FarmFirst Dairy Cooperative
- Jesse Wunderlin – CliftonLarsonAllen LLP
- Chris Davis – CliftonLarson-Allen LLP
- Nick Ajster – CliftonLarson-Allen LLP
- Ray Beenken – NEW Cooperative, Inc.

Each current member should strive to obtain at least one new member this next year. As you will see if you ever attend a chapter meeting or a national meeting, your peers in the cooperative world are ready to lend a helping hand. Attending the chapter and annual meetings are also great (affordable) ways to obtain your required CPE credits. In addition, NSAC also provides webinars on a variety of topics throughout the year. Each member of NSAC receives one FREE webinar per year.

I encourage everyone to identify at

least one prospect over the next three months that could benefit from membership in NSAC. Please remember that our members come from a variety of disciplines: attorneys, bankers, CPA's, insurance agents, actuaries, general managers & CEO's, human resources, IT providers, and others. Think of how many types of service providers a cooperative uses in a year. I'm sure that each would find benefit in a membership in NSAC. Please forward any prospects you may have to me. The best way to contact me is via email at:

Andy.Jones@ Premier Coop.com.

NATIONAL DIRECTOR'S MESSAGE

.Greetings from hot and sticky (weather-wise) Wisconsin!

As I write this, they are predicting we will maybe make it to 70 degrees later this week....so maybe not hot and sticky for long!

I hope you had a chance to join us for the national meeting in San Diego. There were many great presentations and plenty of time for networking and learning. The event had a great turn out and everyone is looking forward to the 2015 meeting in Denver. This will be a joint meeting with the NRECA folks and looks to be a great event. Plans are already underway, so please mark your calendars and plan for 2015.

At the National Board meeting we discussed a variety of topics and heard all of the year end reports. Here is a summary of some of the items discussed:

Education Report

Bill Erlenbush has really put together a wide variety of programs this last year. The CLN's have been well attended and he is looking to continue that in 2015

and will be speaking with the 2014 TACC presenters to do a 2014/2015 CLN. So if you did not have a chance to attend the national conference, please watch the CLN calendar as many of the sessions will be done as a CLN in the coming year.

Committee reports

A wide array of committee reports were accepted. In general, the committees were very busy in the past year and generated a lot of good materials and results for the members. Committee help is always needed, so if you have an interest, please review the various committees, find one that interests you, and volunteer to help. It is that easy!

Chapter Development

Continued efforts to increase membership have paid off this last year with almost all chapters showing a membership increase. We need to continue to focus on this area and the best way to attract new members is for current members to look for opportunities for others to join. Please get the word out to your

contacts and friends in the cooperative industry!

Financial and Audit

The year end financial statements were reviewed and also the investment reports. Your organization is strong financially and that will allow us to continue to provide for the needs of the members.

2015 TACC

Hard to believe, but the audit, tax and national planning committees are already looking at Denver and the 2015 national meeting. If you have ideas for topics, or wish to participate on a committee, please let Jeff Roberts at the national office know. We are always looking for more people on the committees and it is a great way to really learn what NSAC is all about.

International

An international committee has been formed and I have the pleasure of serving as the chair. We are focused on determining the interest and feasibility of forming a Canadian Chapter of NSAC. Several of the folks from the Great Lakes Chapter are participating either on the committee or providing contacts

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EDITOR'S COMMENTS

Wow, autumn is in the air and it is just the first part of September. Can winter be far behind? Congrats go out to two of our members—Kristen Kubiszak and Mr. Joe Diglio. Kristen and Lorrie Merker were at the White House for Kristen to receive her honor as an agricultural leader—please see the details of her award later in this newsletter. As for Mr. Diglio, he has been named the general manager of Michigan Milk Producers. Guess that means he will have very little time to golf and goof-off now!! As Foremost and MMPA enter into their new agreement, I'm sure Joe is up to the task. Again see the details of this new arrangement in this newsletter.

For those that did not attend the national meeting (TACC) in San Diego, you missed a good meeting. Seeing the preview of sessions, it seemed like a lot of non accounting issues. Yet, I think the two best sessions were the NFL referee and the final day's session of the amputee who had climbed all the tallest peaks in each state. The referee noted they were not allowed to ref a game in their hometown and since he was from Chicago, he indicated it was 11 years before he was asked to with some scheduling conflicts. He remembered Ditka

had mentioned on one of the calls that they knew where he lived—guess that is why they were never asked to ref in their hometown!! Don't think for a moment that the general sessions were not worth attending. The FASB updates and tax sessions are generally boring but this year they both seemed to have at least one item worth listening too. The facilities were excellent—close to the ballpark and down town area where all the shopping was—did Judy's eyes open wide when she realized that!! It was enjoyable and when you bring a teenager along, be prepared for anything. Judy had a partner to shop with and they both enjoyed the zoo and sea world. We had offered the granddaughter as a graduation gift to go along last year to Charleston or to San Diego. She thought the "beach" was far more interesting than history. Now we won't have to worry about any graduation gifts until our third grader finishes high school!

Remember to send me any thing of interest happening to you or your company—it is always best to find out things

me to assist with the finances, I figured it can't be that time consuming—oh how wrong I was! Just the reporting to the state takes time and then we had a mailing asking for contribution. The recording and making the deposits and paying the bills for advertising alone takes time—sure has played havoc with the golf game—but so has the weather for that matter. Needless to say, I think I will pass on the next political campaign.

Well gotta run and check the mail, record the contributions and make the deposit—oh it is okay because it is raining and no 18 holes today.

Suggestions for meeting locations within Illinois need to be sent to Alan Zehr at Northern Partners Cooperative. He is anxious as all get out to find a dandy place for our June meeting so get those ideas to him as soon as possible!

BOARD MINUTES

National Society of Accountants for Cooperatives Great Lakes Chapter 56th Annual Meeting

The Great Lakes Chapter meeting was held at the Mission Point Resort at Mackinac Island, MI, on June 19th and 20th, 2014. The meeting was called to order by President Nate Wenzel at 3:45 pm. Included in President Wenzel's opening remarks were special thanks to the Time and Place (Molly Hollister) and Program Chairs (Andy Gusa & Teri Lafleur) for their work on this Chapter Meeting.

Minutes

The minutes of the 55th annual meeting were included in the materials given at registration. After allowing time for review, a motion was made and seconded to approve the minutes of the 55th annual meeting as presented. Motion carried.

Treasurer's Report

Ty Lein, Treasurer, spoke briefly about the treasurer's report distributed to attendees. A motion was made and seconded to approve the treasurer's report. Motion carried.

Education Report

David Loyd gave a brief report on the education class in Madison. 18 people attended. The next annual training will be held in St Louis with help from the Mississippi Valley chapter.

National Director Report

Jeff Brandenburg gave a brief summary of the upcoming TACC National NSAC Conference in San Diego, California and encouraged all members to attend. Next year's national meeting will be in Denver, CO with NRECA.

The joint meeting will hopefully give NSAC more bargaining power.

Brandenburg also mentioned that Bill Erlenbush, our national education director, is putting out CLN's every couple of weeks. CLN's are a great value at \$56 per session.

Keep recruiting new members. The new people help build the depth of talent per Brandenburg.

Great Lakes received 24 points on the Chapter Recognition Program. This was the top score with 2nd place having 23 points.

The International reach out will be in Quebec this year. NSAC is hoping to get a new chapter from Canada.

Membership Report

Andy Jones reported that NSAC National membership increased from 1,519 to 1,610 in the current year. Membership of the Great Lakes Chapter is currently 122 vs. 119 last year.

Andy recognized the following membership milestones:

5 years – Brian Haraga, Rebecca Smith, Sharon Ballweg and Stephen Bisher.

10 years – Nancy Bliz and Chad Rensi.

20 years – Greg Line and Robin Gloschen.

30 years - Laura Reed and Bert Johnson

40 years - John Dilland and Robert Beerup

National has an incentive to recruit a new member. If you recruited a new member in the last year, you will be entered in a drawing for a new iPad.

The Great Lakes chapter has 13 new members-(1 new & 2 transfers): Todd Hoppe, Karen Kerber, Brynn Groezinger, Jeff Ware, Austin Burby, Pamela Snyder, R. Lynn Parins, Heidi Davidson, Rex Hite, Mechaela Hu-

dak, Becky Gibbs, Marie Stewart and Carla DeWalt.

Newsletter

Ralph Miller indicated that we need four newsletters per year to qualify for the corresponding points needed for the new Chapter Recognition Program-currently Ralph produces four per year. Ralph also reminded the membership that current email addresses are needed.

Nominating Committee

President Wenzel indicated that Andy Jones and Jeff Thompson finished their first term and were elected to a second. A motion was made and seconded for the above Board changes. Motion carried.

Other Business

None.

A motion was made, seconded and approved to adjourn at 4:00 pm.

Board Re-organizational Meeting

Started Board Re-org Meeting at 4:00pm on June 19th. New Officers were elected. Chapter Officers Briefing was completed. The Board approved the minutes from the March and April's Board meeting. The meeting was reconvened on Friday June 20, 2014 at 8:00 a.m. by newly elected President Jeff Thompson(Randy Mahoney represented Jeff).

Here are the board members their years on the board:

Eric Krienert	2 nd year
Jeff Thompson	4 th year
Andy Jones	4 th year

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Andy Gusa	5 th year
Jason Les	6 th year
Randy Mahoney	6 th year
Nate Wenzel	6 th year

President's Comments

The newly elected President thanked Great Lake Chapter members for their past and current service. President representative Mahoney thanked Nate Wenzel for past service as Pres. of the Great Lakes Chapter. A plaque will be given to past president Nate Wenzel.

Newly Elected Officers

The President representative reported on the results of the Board re-organizational meeting on June 19, 2014.
President – Jeff Thompson
Vice President – Andy Gusa
Secretary – Eric Krienert
Treasurer -- Ty Lein agreed to serve another year

Internal Audit

Due to the records being left behind, no audit was performed. Next year's internal review of the financial records will be for 2 years.

2014 Annual Chapter Meeting

We had short discussion on planning the next annual chapter meeting in Illinois. The Time and Place Chair volunteer was Alan Zehr. The Program Chair volunteer was Nick Ajster. A raffle for one free registration to 2014 TACC Nationals was held. Andrew Ruck won.

TREASURER'S REPORT

GREAT LAKES CHAPTER NSAC TREASURER'S REPORT

For the **Period Ended July 31, 2014** and
Year Ended December 31, 2013

	<u>2014</u>	<u>2013</u>
JANUARY 1 FUND BALANCE	\$ 18,746	\$ 20,194
JUNE ANNUAL MEETING		
Registration Fees	7,605	8,265
Expenses	(8,724)	(10,996)
Net Income (Expense) From Annual Meeting	(1,119)	(2,731)
OTHER REVENUE		
Membership Dues	620	1,230
A&A Seminar	-0-	1,888
Other	-0-	5
Total Other Revenue	620	3,123
DOWN PAYMENT ON (NEXT YEAR'S)/PREVIOUS YEAR'S ANNUAL MEETING	1,000	(450)
OTHER EXPENSES	(1,855)	(1,390)
PERIOD END FUND BALANCE	<u>\$ 17,392</u>	<u>\$ 18,746</u>

I frequently make sports references in my Treasurer's Report, and this one will be no exception! As some of you know I'm originally from the Fargo, North Dakota area. My parents, sister, brothers, and many friends still live there, so I continue to have strong ties to the area. North Dakota State University in Fargo and their Bison football team has been an FCS powerhouse these past few years. In fact, NDSU has won 3 straight FCS championships, and now has an over-all 25 game winning streak and 5 straight wins over FBS competition (they are 8-3 against FBS teams). And these aren't "cream-puff" FBS teams, these are teams from power conferences like the Big 12, the Big 10, etc. On Saturday the Bison played the Iowa State Cyclones. I was fully expecting this would be the end of NDSU's overall win streak and the FBS win streak because they had to replace 12 starters as well as their head coach who jumped to the FBS. Well, Iowa State scored a quick 14 points and I thought that was it. But from that point on the Bison dominated, scoring 34 unanswered points – and it could have been more - to win 34-14. The Bison racked up over 500 yards of offense compared to 250 yards for the Cyclones. I am sure, however, that NDSU won't beat an FBS team next year, but that is only because there is no such game scheduled! The next chance for NDSU to continue their FBS streak will be 2016 when they are slated to play the Iowa Hawkeyes. Who knows, maybe I'll travel to Iowa City for that one!

In another sports related topic, I have a ticket for the New Zealand All Blacks vs the USA Eagles at Soldier Field in Chicago on November 1st. I went on-line the day tickets went on sale only to find that there was a 3 day pre-sale for people that had registered for it which I didn't know about. So I went back on the 4th day, not sure if there would be

any good tickets left. Lo and behold there was one single solitary ticket left in the lower bowl, so I grabbed it (it was probably still available because it was a single ticket). At almost \$250 it's certainly the most I've ever paid for a ticket to a sporting event, but it may well be a once in a lifetime opportunity to see the All Blacks, as the All Blacks and the USA have only played 4 or 5 times in the last 100 years.

Even if you aren't a rugby fan, you need to tune in to NBC for the pre-game coverage to see the All Blacks haka ritual. The haka is a war dance rooted in the history of the Maori people of New Zealand, and the All Blacks version of the haka is fun, scary, animated, and any other adjective you can think of. Sometimes the opposing team will have a response to the haka so who knows, maybe you'll see a USA version of it. In any case, the USA will lose and lose big. The All Blacks are a premier world power in rugby and the USA, to put it kindly, is not.

As for the fund balance, it is little changed since the last newsletter and is still running strong. The Mississippi Valley Chapter is handling the finances for the A&A Seminar that we hold jointly with them, so we will not know how much our share of the revenue will be until they finish the final accounting for it.

Hope you had a great summer and let's all rejoice that football season is back! (OK, I told myself I wouldn't mention the Packers but I can't help myself...Go Packers!!)

Respectively submitted,
Tyrone Lein

Respectively submitted,
Tyrone Lein
Treasurer

Kristen Fritz Kubiszak Honored by the White House and USDA

Naturipe Farms Blueberry Grower is selected as a “Champion of Change” for Agriculture
Washington, D.C. July 30, 2014 –

The White House and United States Department of Agriculture honored a select few new and beginning ranchers and farmers as “Champions of Change” during The Future of Agriculture two-day event this week. The events celebrated agriculture leaders from across the country who are taking innovative approaches to support American farming and ranching—both now and in the future, by showcasing their actions that ensure and advance the future of agriculture.

Kristin Fritz Kubiszak of Brookside Farms, a grower for MBG Marketing – The Blueberry People, was one of only 15 national honorees. Kristin is the retail manager for Brookside Farms located in Paw Paw, Michigan; her family is a 5th generation farm that distributes fresh blueberries through MBG’s cooperative marketing network under the Naturipe® brand. After obtaining her Bachelor’s degree in social work from Cornerstone University, Kristin returned home to her family farm that focuses on growing and packing top quality blueberries.

Kristin’s involvement in the agriculture industry doesn’t stop with just her family farm; she also sits on the board of directors for the Van Buren County Farm Bureau as Chair of the Promotion and Education Committee. With this position she has dedicated her time to educating the community with trips to local schools, the Ag Venture tent at the local Youth Fair and other youth and consumer education programs. “Kristin is another member of the Fritz family farming operation that makes us proud that they are part of our MBG & Naturipe families.” said Bob Hawk, President & CEO of MBG Marketing.

Kristin’s primary goal is to educate, not only about agriculture, but also how families impact agriculture and how important it is to continue family farms. Brookside Farms started as a dairy farm in 1876 and Kristin’s grandfather planted his first blueberry bush in 1956. That was the same year the family joined Michigan Blueberry Growers Association, a grower-owned cooperative, and the year Kristin’s father, Bill Fritz, was born. Like his farming predecessors, he has continued the family tradition of active agricultural leadership, by serving on the Boards of both MBG Marketing and Naturipe Farms of which MBG is an owner/ partner. “We were absolutely delighted when we learned that Kristin was selected for this program” said Bill. “She is a wonderful representative of the next generation that has the desire and drive to continue our commitment to family farming and the broader agricultural community”.

Kristin and the other honorees were congratulated by Secretary of Agriculture Tom Vilsack of the USDA and recognized at a ceremony in the White House by Deputy Secretary of Agriculture Krysta Harden and Assistant to the President and Director of the Domestic Policy Council, Cecilia Munoz. They were given a tour of the First Lady’s Garden at The White House by Sam Kass who is President Barack Obama’s Senior Policy Advisor for Nutrition Policy and Let’s Move Executive Director.

“It was a true privilege to represent the blueberry industry as a Champion of Change. Since we grow blueberries which are known for their great flavor and incredible health attributes, I was especially pleased to learn first-hand about some of the efforts by the First Lady to encourage children to eat a healthy, brighter array of fresh fruits and vegetables” said Kristin. “It was great to share the story our family blueberry farm. It has always been a passion of mine to educate others about what we do, and this was another great opportunity”.

To learn more about Kristin and the other “Champions of Change” visit <http://www.whitehouse.gov/champions>.

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and we are working to create 4-5 Canadian focused sessions for the 2015 TACC. For a number of years the NSAC has looked to create partnerships with various other organizations and have participated in a wide array of international events. This year we will have people at the International Summit of Cooperatives in Quebec, Canada. We hope that through our efforts we can gather enough momentum to allow the creation of a Canadian Chapter of NSAC.

2015 Budget

The 2015 budget was discussed. Keeping the organization financially strong, providing educational opportunities for the membership and working to expand the reach of the NSAC were all elements discussed in reviewing the 2015 budget. Thanks again for the opportunity to serve as your National Director!! Please keep a couple of things in mind. If you have thoughts/comments/ideas/suggestions **(keep them clean!)**....please let me know. The Board appreciates all the input we can get from the membership. Two, if you have an interest in getting more involved in the NSAC, please speak with Jeff Thompson or me and we would be glad to help get you started. Finally, please consider attending the National Conference in Denver next year and encourage your co-workers and clients to attend. The meeting will be combined with the NRECA, with not only the NSAC tracks available for our members but also the NRECA tracks. The hotel looks beautiful and is right downtown. Mark the date on your calendars!

Jeff Brandenburg



Foremost Farms, Michigan Milk Form Alliance

The two cooperatives are initially investing nearly \$10 million in the region's dairy industry to keep pace with the growing dairy production in this area.

Source: Foremost Farms USA, Michigan Milk Producers Association

Foremost Farms USA, Baraboo, Wis., and Michigan Milk Producers Association (MMPA), Novi, Mich., announced today that the two cooperatives have formed a strategic alliance for the purpose of balancing and adding value to their members' milk supplies in Michigan, Indiana and Ohio.

Collectively the two cooperatives are initially investing nearly \$10 million in the region's dairy industry, a necessary investment to keep pace with the growing dairy production in this area. The strategic alliance will allow greater opportunities for both cooperatives to leverage their respective milk supplies, reduce operating costs and maximize returns for their farmer-members.

Foremost Farms has purchased and is installing reverse osmosis technology at MMPA's Constantine, Mich., milk processing plant located in south-central Michigan. The technology, Foremost Farms' first physical processing asset in Michigan, will concentrate three loads of milk into one by removing water and concentrating the milk solids in order to reduce the cost of long-haul milk transportation by two-thirds. The installation work will begin the week of July 28 and the first phase is expected to be complete by the end of this year.

Dave Fuhrmann, president of Foremost Farms, says, "For the past year, Foremost Farms has been transporting surplus milk from this region back to our own cheese plants in Wisconsin. This has resulted in a tremendous cost burden for our members. This investment allows us to reduce those cost burdens, improve transportation efficiencies, provide market stability for our members' growing milk supply and utilize the milk solids to make cheese."

"Michigan's milk supply is growing at a rate of 3 to 4 percent per year, so investing in reverse osmosis equipment at our Constantine plant helps us keep pace with the growing milk production in our region. This new venture will also improve efficiencies in transportation and give us more flexibility in the market," says Joe Diglio, MMPA's general manager.

"This strategic alliance is a great example of the true spirit of a cooperative — working together for the betterment of all. We are hopeful that this venture will serve as a framework for future opportunities to join forces to strengthen the dairy industry and ultimately better serve our farmer-members. It's a win-win for the Michigan dairy industry," Diglio says.