

TACC NEWSLETTER

TEXAS AGRICULTURAL COOPERATIVE COUNCIL

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5-STAR SERIES OF 2022 EDUCATIONAL OUTREACH EVENTS: A PREVIEW

An end to 2021 can only mean one thing... TACC's 2022 meetings are just around the corner! For more details and registration information on each of the following upcoming conferences, please see the descriptive chart following this newsletter or visit our website at www.texas.coop under the "Meetings" tab.



Executive Committee Meeting – December 14, 2021

Tomorrow, December 14th, the TACC Executive Committee will be meeting for the last time this year at the PYCO Industries facility in Lubbock. The agenda for the meeting includes discussing the Council's preliminary audit results conducted by D. Williams and Company on November 11-12 and a review of TACC office operations.



Farm Store Summit – January 13-14, 2022

For the past two years, TACC has taken the opportunity to host a meeting focused solely on the farm store side of the co-op operation—specifically, how to return profitability to these centers. This year's speakers will share, from their own unique vantage points, how vision, focus & strategy are integral to the future success of cooperative businesses. A new addition this year will be a vendor showcase highlighting companies, across the state, that TACC member co-ops use in their businesses.



Cooperative Board Chairmen's Conference – January 19-21, 2022

For the first time ever, this meeting joins both the Ruidoso, NM conference and the Corpus Christi School ---- into one statewide board chair effort. The goal is to provide co-op board presidents with nuggets of information to better "manage" the remaining director team and tools to become a better "partner" with the general manager.



Texas Academy in Cooperative Excellence – January 28-30, 2022

In cooperation with the five regional cotton cooperatives, Capital Farm Credit, & the Roy B. Davis Chair, TACC is once again offering an exciting program to connect the dots with the newer generation of farm families & co-op leaders by introducing them to alternative business structures, with a special emphasis on the co-op business model. With several heavy hitters from the co-op industry on the meeting agenda, this program is sure to deliver!



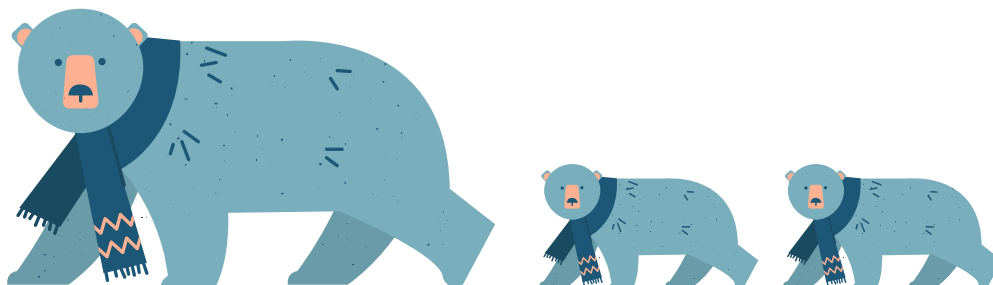
Director Development Program – February 15, 2022

This is a long-held conference for co-op directors to get their annual dose of board training --- new challenges, latest legal cases, recently-surfaced co-op tax issues, and new methods for guiding & governing cooperatives. Given the exceptional participation last year, TACC will also be offering an abbreviated virtual program on February 17 via Zoom.

HIGHLIGHTING TACC'S PROOF OF RESTORATION

(Like many businesses and trade associations, TACC also had to maneuver through the minefields since March 2020 as a once in a lifetime pandemic impacted the 87 – year old organization and its membership. With regards to handling business, everything was on the table and every day was a mystery. With the guidance of a very understanding and patient board and executive committee, the organization reached some new achievements...)

- With regards to the 2021 State Legislative Session, TACC served the 65 – member ag commodity lobby group --- The Texas Agriculture Council --- in numerous roles: as immediate past chair, treasurer, and coordinator of the organization's website.
- A South Texas Cooperative Leadership Conference returned in Corpus Christi after a one – year absence.
- TACC has visited numerous universities, having a College of Agriculture, over the last 13 years to help recruit for its Summer Co-op Internship Program. In 2021, the Council added a new college --- Texas A&M Kingsville. Several quality candidates were interviewed & one was selected to intern at United Ag in El Campo.
- Monitored & was active in the 2021 State Legislative Session, where over 7,400 bills were filed and TACC primarily tracked about 45 that had a special interest to cooperatives.
- Launched the focus for the new year to be: "Co-ops: Local Choices, Local Decisions, Local Rewards".
- Developed "Legislative Readiness Papers," whereby each TACC – PAC member co-op were prepared papers containing contact information on their respective county, state and federal leaders as well as pertinent regulatory state agency contacts impacting their organization.
- Made the decision to pilot combining the Ruidoso, NM Co-op Board Chairmen's Conference held in July with the similar South Texas Conference usually held in November and move it to a central location (Fredericksburg) and at a time conducive to both groups (January 19 – 21, 2022).
- Continually tracked state regulatory actions occurring during and after the 2021 State Legislative Session so as to monitor how passed legislation is being proposed to be implemented and carried out.
- Continued a multitude of forums to communicate with the membership via daily Facebook postings, launching a new LinkedIn page, production of email newsletters, development of infographics, information blitzes, & the hosting of 8 – 10 educational meetings for a variety of audiences.
- Joined with other agricultural groups to host a salute to law enforcement luncheon at the State Capitol in May 2021.
- Continued to serve on the State Board of the Certified Crop Advisers --- a role that began with its inception in 1993 --- and serve as chairman of its credentials committee.
- Coordinated with the D. Williams and Company CPA firm in Lubbock to produce another every five year "Co-op General Manager Compensation Study".
- Continued job posting services to help cooperatives in labor recruitment.
- Attended about 25 fundraisers in an effort to support appropriate candidates in political races via TACC – PAC.
- Assisted in the development of a first – ever "State FFA Ag Advocacy" Conference, where 36 ag teachers and 114 FFA members came to the State Capitol for two days. It was so successful that the next one is planned for February 2022 and they are expecting between 350 – 400 attendees. Does agriculture have a bright future?
- Did considerable research to launch a new program for co-op leadership in January 2022, whereby more accurate, measured and calculated hiring and management decisions can be made; thus greater efficiency in handling management decisions.



AFTER ONE YEAR PANDEMIC ABSENCE, SOUTH TEXAS CO-OPS RECONVENE IN CORPUS

The TACC South Texas Cooperative Leadership Conference was held in Corpus Christi on November 3 – 4 at the Omni Hotel, after a year absence, attracting nearly 80 co-op personnel & directors. The kick-off speaker, **Bruce Atherly**, flew in from Istanbul, Turkey. He is CEO of the export promotion arm of the National Cotton Council, but once held roles with major consumer product companies. In addition, noted ag meteorologist **Brian Bledsoe** of Colorado Springs, CO., stole the show with his weather predictions for the next 12 months. In addition, **Gary McLaren** led his traditional legal charge with eye-popping cases occurring in co-op country. **Dr. Jennifer Wells**, with Truterra (*the carbon marketplace arm of Land O'Lakes*) gave an insightful look at where farmers fit in with regards to sustainability, and noted co-op CPA **Greg Taylor** of Lubbock, gave his take on the new tax language being offered by the Biden Administration.

One of the more interesting segments at the meeting occurred when regional cotton co-op executives **Robert Swize** of Gulf Compress, **Cris Gwinn** of Plains Cotton Cooperative Association, and **Jim Massey** of Valley Co-op Oil Mill took the stage to project what it would take for co-ops to remain relevant in South Texas over the next ten years. The landscape is rapidly changing! Co-op creative leaders **April Graves** of United Ag Co-op in El Campo and **Tony Morton** of PYCO Industries in Lubbock took an unusual look at explaining financial statements by reporting on two new ventures that have occurred at their co-ops in recent time.

The conference kicked-off with its traditional Shrimp Boil, cooked by Smith Gin Co-op General Manager **Tyler Cross** and Valley Co-op Oil Mill Sales Manager **Aaron Peña**. In two years, the conference will relocate to San Antonio to bring variety. One other unusual twist to the meeting were the door prizes. Although it is tradition to award about \$1,400 in door prizes throughout the day in denominations of \$50 to \$100, this time only five or six door prizes were given, but the total remained about the same. The biggest and the concluding door prize, donated by **Jimmy Roppolo** at United Ag Co-op in El Campo, went to **Kreece Wiginton**, who works at Woodsboro Farmers Co-op (*grain & farm supply*) in Woodsboro, Texas. It was a pistol valued at over \$600.

TACC DIRECTOR APPOINTED TO STATE AGENCY BOARD

The Texas Department of Licensing and Regulation (TDLR) is one of the largest regulatory agencies in the state overseeing numerous functions that impact citizens. A few years ago, state lawmakers moved all fuel sales and such regulation from the Texas Department of Agriculture to the TDLR. Due to this action, the seven – member commissioner team created the TDLR Motor Fuel Metering and Quality Advisory Board to oversee the transfer and operation of this fuel function.

The newest appointee to the state regulatory agency advisory board is TACC Legislative Committee Chair and General Manager of Producers Co-op Elevator in Floydada, Texas, **Seth Stephens**, effective December 7, 2021. The commission, chaired by **Rick Figueroa** of Brenham, made the appointment of Stephens. A native of Weatherford, Stephens started at the Floydada co-op in 2012 as an intern out of Texas A&M University and in 2014 was named General Manager/CEO. He is also the former Floyd County Republican Party Chair. State Senators **Charles Perry** of Lubbock and **Drew Springer** of Muenster were instrumental in his appointment, which will last until February 2023.

DEVELOPING A CULTURE OF CONSTANT EDUCATION

A new online training course has hit the market, produced by Texas A&M AgriLife & Roy. B Davis Chair, **Dr. John Park**, with collaboration from TACC CEO, **Tommy Engelke**. The first video is active, and can be accessed online at AgriLife Learn. In this first session, co-op employees, managers, and directors will be introduced to the need for constant education in a cooperatively-owned business and understand what this looks like for different levels of governance. This course is priced at \$25, and can be completed at the individual's own pace. This is an exciting opportunity for TACC to further its education directive and we highly encourage you to tap in, understand the need and benefits of constant education, and develop this culture in your own cooperatives!

POSITIONING YOURSELF FOR THE NEXT STEP

A message from TACC Associate Member, People Spark:

Are you considering transitioning your business? Selling, Buying, Transitioning to the Next Generation or Succession Planning? This FREE webinar series will help make sure you are positioned as a strong partner. People Spark Consulting is partnering with Hetland Financial to share the best ways to set yourself up for success.

70% of business don't know what their business is worth. Many business buyers don't know what information to ask for during the research process to make sure it is a good fit.

You can catch the replay of these webinars by using the following links:

[Topic: Family Transitions & Succession Planning – Tips for Transitioning Your Business to a New Generation](#)

[Topic: Exit Planning for Sellers: 3 Tips to Improve Your Valuation](#)

[Topic: Buying a Business – Tips to Get the Most for Your Money](#)

Want more HR and People Strategy Tips?

Connect with People Spark Consulting on [Facebook](#) or [LinkedIn](#).



TACC SOCIAL MEDIA HITS NEW HIGHS IN 2021

FACEBOOK

April 2, 2021 (1,073 reached, 71 likes) Yesterday, CEO **Tommy Engelke** celebrated his 32nd anniversary with the Texas Agricultural Cooperative Council! He is the third-ever CEO for the council, and has spent over 44 years in the service of cooperatives. Tommy's infectious love for these businesses is felt by everyone he comes into contact with, and has made him a tremendous asset to not only the co-op industry in Texas, but nation-wide! We thank him for his dedication and service to TACC and the cooperative industry as a whole.

August 2, 2021 (330 reached, 23 likes) The TACC Summer Co-op Interns are here in Austin to get a legislative and regulatory look at the agriculture industry. Today the interns had a lunch with **Dan Hunter**, Assistant Commissioner for Water and Rural Affairs at the Texas Department of Agriculture, and will be stopping by the office of Texas Comptroller of Public Accounts.

December 1, 2021 (245 reached, 22 likes) Canyon FFA's Ag Issues team dropped by the office today in preparation for their contest tomorrow and Saturday at Sam Houston State University in Huntsville! Their topic this year is President Biden's Executive Order on Promoting Competition in the American Economy, presenting the pros and cons of the issue, especially as it relates to producers and packers in their area of Texas. Great job guys, and good luck in competition!

LINKEDIN

March 1, 2021 (120 reached, 4 likes) TACC attended the National Council of Farmer Cooperatives Virtual Annual Meeting during the week of February 9, 2021. Presenters covered topics from the new presidential administration to the food and agriculture value chain, and breakout sessions allowed attendees the opportunity to participate in small group discussions. Below is a summary of comments from a hard-hitting presentation over strategic planning during and after a pandemic from Nationwide Insurance's Chief Strategy & Corporate Development Officer, **Mike Mahaffey**.

June 17, 2021 (80 reached, 4 likes) Texas A&M University has an Agricultural and Food Policy Center (AFPC) that serves as a source for "unbiased and objective economic analysis of the impacts for policy alternatives on stakeholders." Earlier this week, the AFPC released a study on the economic impacts of two key tax proposals regarding inherited property. This is an article from AGDAILY whereby you can access the full study: <https://buff.ly/3cMjJiT>. #agpolicy

November 11, 2021 (225 reached, 5 likes) In getting ready for the annual audit, TACC CEO **Tommy Engelke** stumbled upon a past meeting presentation called "Symptoms of an Ineffective Board" --- the eight points are listed below. Your board of directors may want to use this list as a stepping stone to addressing any issues, finding ways the board can resolve the issue, and thereby hopefully grow into a stronger and more effective board for the cooperative.



OUT AND ABOUT (SINCE SEPTEMBER 20, 2021):

- Participated in the Texas A&M AgriLife Corporate Affiliates Program Open House on September 30.
- Coordinated registrations for the NSAC Texas Chapter's October 8 fall meeting in Lubbock.
- Executed the TACC Cooperative Leadership Conference in Corpus Christi on November 3 & 4.
- Assisted D. Williams and Company with the TACC FYE September 30 audit in Austin on November 11.
- Prepared recommendations for TACC-PAC Board of Trustees on November 18 to determine contributions to several statewide candidates for the March 1, 2022 Primary Election.
- Taught the co-op business model and summer co-op internship program on October 4 at Angelo State University, October 5 at Tarleton State University, October 27 at Texas Tech University & West Texas A&M University, November 3 at Texas A&M University-Kingsville, and October 22 & November 10 at Texas A&M University.
- Continued daily Facebook posts & weekly LinkedIn posts.
- Participated in the Texas Society of Association Executive's November 16 & 17 Membership, Marketing and Communications Conference in Round Rock.
- Developed TACC "monthly" budgets.
- Attended the annual meeting of Skyland Grain, LLC. in Bushland on November 30.
- Prepared for the December 14 TACC Executive Committee meeting.
- Hosted representatives from AgWorkers Insurance to TACC offices and Austin on December 8.
- Conducted an on-site visit for the 2022 Joint Cooperative Meeting to Omni Hotel in Frisco on December 1.
- Developed a TACC Christmas card.
- Assisted with job placements throughout the state.
- Spoke to the Texas FFA's Legislative LEAD Program at the State Capitol in Austin on November 23.
- Conducted field contact visits along the Texas Gulf Coast October 12-14.
- Participated in a training course on December 7 & 8 to become certified in Predictive Indexing, a new membership offering coming in January 2022!
- Hosted the Canyon FFA Chapter at TACC offices to assist in their preparation for the state leadership competition in Huntsville on December 2.
- Visited with Texas Supreme Court Justice **Rebecca Huddle** on November 19, to discuss what the courts can do to help in protecting Texas agriculture.
- Finalized details for several upcoming 2022 meetings, beginning January 13.

WILL BE:

- Attending several legislative fundraisers for high-profile statewide incumbents over the next couple of weeks in December.
- Recruiting attendees for the newly-combined Cooperative Board Chairmen's Conference on January 19-21 in Fredericksburg.
- Facilitating several co-op cotton gins' strategic plans.
- Preparing and soliciting attendees for the upcoming Texas Academy in Cooperative Excellence Program January 28-30 in Fredericksburg.
- Finalizing plans for the TACC Director Development Program that will be held February 15 (Lubbock) and February 17 (Virtual).
- Assisting in the 2nd Annual State FFA Ag Advocacy Conference at the State Capitol in February.

CALENDAR OF EVENTS**DECEMBER**

14 TACC Executive Committee Meeting – Lubbock

24-27 TACC Christmas Holiday
JANUARY

4-6 Beltwide Cotton Conference – San Antonio

13-14 TACC Farm Store Summit – Fredericksburg

19-21 TACC Board Chairs Conference – Fredericksburg

28-30 TACC Academy in Cooperative Excellence (ACE) – Fredericksburg

FEBRUARY

8-10 National Co-op Convention – Scottsdale, AZ

11-13 National Cotton Council Annual Meeting – Houston

15 TACC Director Development Program – Lubbock

17 TACC Director Development Program (abbreviated) – virtual via Zoom

MARCH

13-15 TACC Joint Cooperative Meeting – Frisco

31-APR. 1 Texas Cotton Ginners Association Gin Show – Lubbock



The Texas Agricultural Cooperative Council's 5-Star Series of Initial 2022 Educational Outreach Events

. . . a part of the momentum to promote "Education is a Constant, Training is a Constant, and Learning is a Constant"

<u>Event</u>	<u>Purpose</u>	<u>Invited</u>	<u>Program</u>
<p><u>Farm Store Summit</u></p> <ul style="list-style-type: none"> • January 13-14, 2022 • Inn on Barons Creek • Fredericksburg, Texas • Link to register: https://forms.gle/5T4DVTTY1rk4kvwa8 	<p>The conference started three years ago from a simple idea to restore “profitability” to cooperative farm store operations, but has risen to become a much-anticipated program.</p>	<p>Any personnel in farm supply co-ops including:</p> <ul style="list-style-type: none"> • General Managers • Branch Location Managers • Department Heads • New Personnel • Directors 	<ul style="list-style-type: none"> • A large group roundtable showcasing good & bad strategies used in farm supply operations in the last 18 months. • A segment on instilling the farm store as a profit-center & not an afterthought. • A topic on “Repairing the Forklift vs. Repairing the Person” to highlight the importance of continual training in farm supply operations. • A case example of a profitable farm supply operation in the Pacific Northwest. • The CEO of a non-co-op retail sales conglomerate.
<p><u>Cooperative Board Chairmen's Conference</u></p> <ul style="list-style-type: none"> • January 19-21, 2022 • Inn on Barons Creek • Fredericksburg, Texas • Link to register: https://forms.gle/Qj4HmUcTQU4j1vSQ9 	<p>This conference started two decades ago with two basic premises:</p> <ul style="list-style-type: none"> • To provide co-op board presidents with nuggets of information to better “manage” the remaining director team, and • To provide board presidents tools to become a better “partner” with the general manager <p>This school, for the first time ever, joins both the Ruidoso, NM conference and the Corpus Christi School ---- into one statewide board chair effort.</p>	<p>Co-op board presidents or their designee</p>	<ul style="list-style-type: none"> • Address situations that occur in board rooms where only board chairs can talk to one another via a co-op attorney. • Recently-released co-op educational videos. • Making more accurate & calculated hiring & business decisions. • Up to the minute compensation studies of co-op general managers.
<p><u>Texas Academy in Cooperative Excellence</u></p> <ul style="list-style-type: none"> • January 28-30, 2022 • Inn on Barons Creek • Fredericksburg, Texas • Link to register: https://forms.gle/CkqduYGtrXzg1nA7A 	<p>In cooperation with the five regional cotton cooperatives, Capital Farm Credit, & the Roy B. Davis Chair, offer an exciting program to connect the dots with the newer generation of farm families & co-op leaders by introducing them to alternative business structures, with a special emphasis on the co-op business model.</p>	<ul style="list-style-type: none"> • Younger, emerging, or new <u>producer farm couples/singles</u> believed to have long-term impact on their communities • Younger, mid-level or newer co-op employees with a promising future in the business • Young, current or <u>potential directors</u> • Individuals that did not win, but <u>were nominated for a local co-op director position</u> 	<ul style="list-style-type: none"> • Bridging the four business models recognized in the U.S. • Nuts & bolts of cooperatives. • Investment vs. returns. • How I made the co-op work for me --- two co-op board chairs. • A session of “wills,” social security planning, retirement. • A visit to two wineries. • My ag business: It just happens to be a co-op.

<p><u>Cooperative Director Development Program</u></p> <ul style="list-style-type: none"> • February 15, 2022 – In-person • Link to register: https://forms.gle/nBUw8nJmcLnWSKfj6 • February 17, 2022 – Virtual • Link to register: https://forms.gle/BxhiuLw1quPVkGSM8 	<p>A long-held conference for co-op directors to get their annual dose of board training --- new challenges, latest legal cases, recently-surfaced co-op tax issues, and new methods for guiding & governing cooperatives.</p>	<ul style="list-style-type: none"> • Co-op directors • Co-op director teams • Co-op general managers 	<ul style="list-style-type: none"> • Latest legal & tax cases of significance in cooperatives. • The latest version of self-help videos for co-op directors. • A panel featuring the three Lubbock cotton co-op regional CEOs on trending challenges in West Texas. • A skilled, well-received & highly-heralded strategic planning leader out of Colorado simplifying the art of this practice. • Questions to ask about your co-op’s insurance policy --- a board function. • Making more calculated & accurate hiring & business decisions.
<p><u>Joint Cooperative Meeting</u></p> <ul style="list-style-type: none"> • March 13-15, 2022 • Frisco, Texas <i>(Omni Hotel on the campus of the Dallas Cowboys’ headquarters)</i> • Link to register: https://forms.gle/JY3DhMDzwZSWw4u98 	<p>As the “voice” or trade association for cooperatives in Texas, they are required to host an annual meeting. TACC takes it a step further to hold the school during spring break, thereby capturing the entire family --- complete with top speakers & talent, recreation time & a time to visit with influential political leaders.</p>	<ul style="list-style-type: none"> • Co-op directors & spouses • Co-op management & mid-management personnel & spouses • Potential co-op directors 	<ul style="list-style-type: none"> • Your legal rights during an active crime situation. • The Legacy Project: The changing landscape demographics & impacts upon your co-op. • Our standard annual ag economist revelations: a practitioner from Colorado. • A leading political insider discussing trends & the March 1 Primary Election. • A breakout session on the leading state regulatory agency impacting co-ops: DPS, OSHA, etc. • Latest legal & tax cases of significance in cooperatives.

BONUS . . . new on-call offering beginning January 1, 2022

<p>Predictive Indexing</p>	<p>Via the use of a personalized assessment process, TACC & the Roy B. Davis Chair will assist co-op CEOs, directors & management personnel in making smarter, more calculated & accurate hiring decisions. The assessment can also be a valuable asset:</p> <ul style="list-style-type: none"> • When replacing a director on the board • When mergers are under consideration • To improve employee retention results • To lessen misunderstanding on a board of director team • In hiring the right summer intern • As part of a new employees’ initial performance review • In the hiring of key mid-management personnel • To improve on director engagement issues • As an alternative to paying expensive headhunter fees on a new hire
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