



**AMERICAN ANGUS ASSOCIATION®
HIGHLIGHTS OF THE MEETING OF THE BOARD OF DIRECTORS
SEPTEMBER 14-17, 2026**

The following is a review of topics discussed and action taken during the meeting of the Board of Directors held September 14-17, 2026, in St. Joseph, Missouri.

AMERICAN ANGUS ASSOCIATION

- Total assets at July 31, 2026 were \$33,197,200, and consisted of current assets of \$1,862,200, investments of \$25,387,300, and fixed assets of \$5,947,700. Current liabilities were \$1,219,400 consisting of accounts payable, accounts payable intercompany, accrued liabilities, and deferred income. Long-term liabilities were \$1,045,400 consisting of deferred compensation, accrued health insurance benefits, and a forgivable economic development grant liability. Net income for the period ending July 31, 2026 was \$2,836,800 of which \$2,164,600 represents investment returns generated through the investment portfolio.
- Smitty Lamb moved, seconded by Mark Johnson, to accept the finance report. The motion passed unanimously.
- Alan Mead moved, seconded by Rob Adams, to approve a balanced budget for the Association for fiscal year 2027. The motion passed unanimously.
- The Board approved Committee reports as follows:
 - Breed Improvement Committee report and recommendations: motion by Paul Bennett, second by Roger Wann, unanimous approval.
 - Commercial Programs Committee report and recommendations: motion by Art Butler, second by Darrell Stevenson, unanimous approval.
 - Communications and PR Committee report and recommendations: motion by Charles Mogck, second by Ron Hinrichsen, unanimous approval.
 - Events and Junior Activities Committee: motion by Jerry Theis, second by Henry Smith, unanimous approval.
 - Finance and Planning Committee report and recommendations: motion by Smitty Lamb, second by Danny Poss, unanimous approval.
 - Member Services Committee report and recommendations: motion by Rob Adams, second by Jerry Theis, unanimous approval.
- Dr. Sam Comstock, Lead Geneticist – Holstein Association USA, presented virtually on haplotypes in the dairy industry.
- Charles Mogck was elected to serve as the Association's treasurer for 2027.

- Paul Bennett moved, seconded by Roger Wann, to approve the following procedural documents for the Annual Convention of Delegates:
 1. Memo from the Board to delegates and alternate delegates
 2. Order of Business
 3. Convention Procedures
 4. Election Procedures

The motion was unanimously approved. The documents will be sent to delegates and alternate delegates prior to the Annual Convention of Delegates.

- Smitty Lamb moved, seconded by Ron Hinrichsen, to nominate Darrell Stevenson to serve as the Association's president and chairman of the Board of Directors for 2027. The motion was unanimously approved.
- Charles Mogck moved, seconded by Danny Poss, to nominate Smitty Lamb to serve as the Association's vice president and vice chairman of the Board of Directors for 2027. The motion was unanimously approved.
- President Brinkley appointed Darrell Stevenson, Smitty Lamb, and Charles Mogck to serve as the Nominating Committee to propose slates of candidates for the Boards of Directors of the Angus Foundation, AGI, Angus Productions Inc., and *Certified Angus Beef*®, and the Association committees.
- Upon motion by Darrell Stevenson and a second by Henry Smith, the board unanimously approved the selection committee's recommendation to appoint Mike Seimens as an at-large board member and Lawson Hembre as the industry representative for the Angus Foundation Board of Directors.
- Directors were presented with and provided feedback on naming rights to Association events related to sponsorships and Foundation endowments.
- Mark Ahearn moved, seconded by Ron Hinrichsen, to move \$500,000 from this year's Association earnings to the Angus Foundation's donor administration fund. The motion was unanimously approved.
- The NCBA summer business meeting report was given by those representing the Association.

BREED IMPROVEMENT COMMITTEE

- Reviewed the May 2026 genetic evaluation updates with a specific focus on the maternal weaned calf value index and the associated cost and revenue assumptions.
- Discussed the Pathfinder® Program and potential changes to sire qualification requirements. The committee elected to table the discussion and requested development of a sale book insert to improve member communication and education about the program.
- Received an overview of the annual University of Georgia Tech Summit, including agenda topics and key discussions.
- Reviewed research efforts related to:
 - Improving fertility trait selection using existing Angus database

information.

- Studying the impact of inbreeding.
- Received an update on the Association's role in red meat yield research, focusing on collecting live-animal phenotypes for future use in genetic evaluations.
- Discussed continued growth of the Data Driven Herd program, program enhancements, and reviewed plans for recognizing gold herds during the 2026 Convention.
- Held a discussion on the potential development of customizable indexes for members; no action was taken.
- Considered the use of forecasted economic data in indexes rather than relying solely on historical data; no action was taken.

COMMERCIAL PROGRAMS COMMITTEE

- Despite a slight decrease in AngusLink® enrollments from 2025, June achieved a record monthly enrollment of 62,560 head.
- Reviewed the summer video market sales results, trends and AngusLink® premiums.
- Communication plans to promote AngusLink® and the Drive to 1 Million milestone through video and social media this fall.
- Initial plans for a pilot project, in collaboration with IMI Global, designed to help seedstock producers enroll commercial customers in AngusLink® were presented.
- Reviewed recently compiled US Premium Beef data showing the significant advantages of Genetic Merit Scorecard® (GMS) cattle to non-GMS cattle.

COMMUNICATIONS AND PR COMMITTEE

- Pathway to Progress will be prominently promoted throughout the Convention, Angus University sessions, and expanded promotional materials.
- Digital engagement remains strong, highlighted by nearly 4.5 million Instagram views from NJAS content and a significant increase in Angus.org users in the past year.
- Staff shared ongoing efforts to improve consistency of messaging across communication platforms and reviewed planned campaigns designed to help members stay informed through their preferred news and communication channels

EVENTS AND JUNIOR ACTIVITIES COMMITTEE

- Strong participation and engagement were reported across major junior programs and events, particularly the Beef Leaders Institute (BLI), Leaders Engaged in Angus Development (LEAD) conference, and National Junior Angus Show (NJAS).

- Reviewed future NJAS facility options and estimated costs for potential host locations.
- The committee approved several show judge-related actions.

MEMBER SERVICES COMMITTEE

- A delegate summary for 2026 was given: 2,169 ballots were eligible to be counted. 301 delegates were elected with 247 alternate delegates for the Annual Convention of Delegates.
- It was reported that the paperless initiative has been well received by members and has produced substantial cost-saving and efficiency gains.
- Significant progress continues on the web-based AIMS platform and enhanced member-facing technology tools.
- Reviewed progress on the data API used by third-party herd management software providers to more easily submit member data. Security enhancements and third-party software integration remain important strategic priorities.
- Reviewed current and future security improvements for Log-In users.
- Reviewed progress on the potential for a member health insurance benefit. No viable program has been identified, but staff will continue evaluating options.

FINANCE AND PLANNING COMMITTEE

- Staff presented a financial report as of July 31, 2026. Total assets on the consolidated financial report are \$104,975,800, consisting of current assets of \$16,706,500, investments of \$70,743,700, property and equipment of \$16,124,600 and non-current assets of \$1,401,000. Current liabilities are \$8,879,900 consisting of accounts payable, accrued liabilities, and deferred income. Long-term liabilities of \$2,367,600 consist of deferred compensation, accrued health insurance benefits, and a forgivable economic development grant liability. Consolidated net income for the period ending July 31, 2026 is \$8,492,100. Investment portfolio returns account for \$5,334,000 of the \$8,492,100 bottom line.
- Projections of the financial results for the fiscal year that will end September 30, 2026, were presented for the American Angus Association (Association), its subsidiaries and affiliate. Each entity is forecasting the fiscal year to end with a positive net income.
- Staff presented the proposed budget for the Association for fiscal year (FY) 2027 which has projected operating revenue of \$17,625,500, expenses of \$17,572,500, and non-operating adjustments of (\$40,000). The budgeted net gain for the year is \$13,000 after non-operating adjustments. The number of registrations budgeted is 325,000. This would represent a slight decrease from what is being forecasted for FY 2026. Other core revenue sources are budgeted flat to current year forecast. Investment income of \$762,000 is budgeted. This represents a 3% return on investments. Fees received by the Association from its subsidiaries are budgeted at \$3,951,600. The proposed budgets for the

Association and its subsidiaries include provisions for capital expenditures of \$1,286,000. Danny Poss moved, and Rob Adams seconded a motion to recommend adoption of the 2027 budget to the full board of the American Angus Association. The motion passed unanimously.

- Staff presented a recent history of revenues and expenses for the NJAS as well as the budget for the event in FY 2027. It was noted the largest costs are related to facilities and bedding. The committee discussed options for future funding of the event.
- The committee discussed the current status of accepting credit cards as payment. Staff noted future enhancements in internal systems that will allow for increased payment options. The committee also discussed the possibility of assessing a fee on credit payments.

ANGUS FOUNDATION

- Total assets at July 31, 2026 were \$32,676,600, and consisted of current assets of \$1,060,700, investments of \$30,403,400, and non-current assets of \$1,212,500. Current liabilities were \$1,249,400 consisting of accounts payable, accounts payable intercompany, and accrued liabilities. Long-term liabilities of \$32,300 consisted of accrued health insurance benefits. Net income for the period ending July 31, 2026 was \$2,254,000 of which \$1,748,200 represents investment returns generated through the investment portfolio.
- Jerry Theis moved, seconded by Henry Smith, to accept the finance report. The motion passed unanimously.
- Mark Johnson moved, seconded by Jerry Theis, to approve a balanced budget for the Foundation for fiscal year 2027. The motion passed unanimously.
- Outside grant funding opportunities were presented. Tom McGinnis moved, seconded by Mark Johnson, to pursue the four grant proposals as presented. The motion passed unanimously.

ANGUS GENETICS INC.

- Total assets at July 31, 2026 were \$3,502,100, and consisted of current assets of \$1,758,500, investments of \$1,536,500, fixed assets of \$224,300, and non-current deferred tax liabilities with a credit balance of \$17,200. Current liabilities were \$2,096,900 consisting of accounts payable, accounts payable intercompany, and accrued liabilities. Long-term liabilities of \$25,400 consisted of accrued health insurance benefits. Net income for the period ending July 31, 2026 was \$236,700 of which \$127,900 represents investment returns generated through the investment portfolio.
- Darrell Stevenson moved to accept the financial report. Art Butler seconded. The motion passed unanimously.
- Darrell Stevenson moved, seconded by Smitty Lamb, to approve a balanced budget for AGI for fiscal year 2027. The motion passed unanimously.

- A recap of the second edition of Imagine: AGI's Beef Genetics Forum was given, with plans for a public white paper summarizing discussions expected in early 2027.
- An update on heart health research showed ongoing data collection and progress toward developing a genetic selection tool.
- GeneMax® Advantage™ sales were presented and are projected to increase 157% in fiscal year 2026, reflecting growing commercial producer interest and breeder adoption as a customer service tool.
- Genomic service provider industry changes are being closely monitored, with strategies under discussion to help Angus breeders remain well-positioned for long-term success.
- Strategy framework was laid for FY2027 to execute a beef improvement system to begin capturing important data from commercial producers and the full beef supply chain.

ANGUS PRODUCTIONS INC.

- Total assets at July 31, 2026 were \$3,391,800, and consisted of current assets of \$1,578,700, investments of \$1,239,700, fixed assets of \$367,700, and non-current assets of \$205,700. Current liabilities were \$1,656,600 consisting of accounts payable, accounts payable intercompany, accrued liabilities, and deferred income. Long-term liabilities of \$303,200 consisted of accrued health insurance benefits. Net income for the period ending July 31, 2026 was \$265,000 of which \$111,000 represents investment returns generated through the investment portfolio.
- Mark Ahearn moved, seconded by Ron Hinrichsen, to accept the finance report. The motion passed unanimously.
- Ron Hinrichsen moved, seconded by John Dickinson, to approve a balanced budget for API for fiscal year 2027. The motion passed unanimously.
- A new organization structure to support sales and customer service was presented.
- Rising postage costs were discussed.

CERTIFIED ANGUS BEEF LLC

- Total assets at July 31, 2026 were \$32,550,200, and consisted of current assets of \$10,788,600, investments of \$12,176,700, and fixed assets of \$9,584,900. Current liabilities were \$2,999,500 consisting of accounts payable, accounts payable intercompany, accrued liabilities, and deferred income. Long-term liabilities of \$951,300 consisting of deferred compensation, and accrued health insurance benefits. Net income for the period ending July 31, 2026 was \$2,899,500 of which \$1,114,000 represents investment returns generated through the investment portfolio.
- Roger Wann moved, seconded by Rob Shuey, to accept the finance report. The motion passed unanimously.

- Art Butler moved, seconded by Charles Mogck, to approve a balanced budget for CAB for fiscal year 2027. The motion passed unanimously.
- **Fiscal 2026 Brand Supply and Sales:** Brand sales reached 1.225 billion lbs., declining only 0.8% despite a nearly 7% reduction in available *Certified Angus Beef*® carcass volume. Record levels of quality in the industry resulted in a record 37.8% acceptance rate. However, that was only 0.1 ppt higher than the prior year as improvement was limited by an increased number of carcasses exceeding brand specifications for hot carcass weight, ribeye area, and fat thickness. *Certified Angus Beef*® Prime carcasses comprised a record 15.6% of the 5.35 million carcasses certified into the brand and supported record *Certified Angus Beef*® Prime product sales across retail, foodservice, and international channels. While sales across licensed foodservice distributors and restaurants increased and represented the second-best year ever, overall sales at retail and into international markets experienced declines.
- **Producer Engagement Survey:** Angus producers demonstrated high awareness and interest in utilizing the *Certified Angus Beef*® Targeting the Brand™ logo when marketing Angus seedstock and feeder cattle through Angus Link. Producers also shared strong interest for the brand to establish an official *Certified Angus Beef*® Prime Targeting the Brand™ logo given that Prime genetic thresholds are now available as part of Targeting the Brand™ and this feedback is being further considered.

NEXT REGULAR BOARD MEETING

- November 13 and 16, 2026 in Louisville, KY