

# LOUISIANA RICE RESEARCH BOARD

## Minutes

Crowley, Louisiana  
Acadia Parish Extension Office  
July 1, 2020

---

**MEMBERS PRESENT:** Richard Fontenot, John Denison, John Earles, Sammy Noel, Kim Frey, Gerald Leonards, Jeffery Sylvester, Eric Savant, Damian Bollich, Jason Waller, Jude Doise,

**MEMBERS ELECTRONIC PRESENT:** Alan Lawson, Benjy Rayburn LDAF, and David LaCour

**MEMBERS ABSENT:** Dane Hebert

**OTHERS PRESENT:** Andy Brown, Adam Famoso, Mike Salassi, Bruce Schultz, Scott Soileau, Kane Web, Kurt Guidry, Don Groth, Mike Salassi, Steve Linscombe, Dustin Harrell, Betsy Ward, Frankie Gould, Carol LeDoux

---

Chairman, Richard Fontenot called the Louisiana Rice Research Board (LRRB) meeting to order at 1:05 pm and asked members to review the agenda items. He spoke to the procedural changes due to COVID-19 requiring social distancing and Governor Edwards Executive Order to allow for electronic attendance. Fontenot welcomed those attending electronically and checked the audio/visual. He also recognized the faculty and staff of LSU who had accommodated these changes.

**ACTION #1** A motion was made by Kim Frey, seconded by Jeffery Sylvester and carried, to approve the agenda.

Chairman Fontenot then asked board members to review the minutes while he gave a brief chairman's report. He reminded the board the minutes were sent electronically, but encouraged them to again review them presented at the meeting. The chairman's report mentioned the LSU online field day and encouraged members and guests to review the presentations that had been made earlier in the day via the online field day website. He briefly charged the board with their intent to consider the research presented through this field day and other updates they would hear in this meeting, outlined the subcommittees and their particular responsibilities to keep them mindful of the members' respective assignments, and again thanked LSU for accommodating the challenging times to still provide growers with quality information. He concluded by asking director Andy Brown to call the roll of the board.

The Board next considered the minutes of the previous meeting which had been sent to all members.

**ACTION #2** A motion was made by Sammy Noel, seconded by Gerry Leonards and carried, to dispense with the reading of the minutes and approve them as presented.

The LDAF May 2020 assessment collections report was then presented by Andy Brown. For the month of May assessment collections paid to the Board (gross) was \$42,354.30. The year to date gross assessment collections were \$1,314,775.09 and year to date refunds were \$113,561.09. The year to date collections were on track with budget estimates with a net of \$1,189,214.00 with June collections left to go.

Scott Soileau then reviewed the May 31, 2020 financial operating report. He reviewed each of the various fund balances and discussed the current financial position of the Board. The Board discussed their current financial position and the current fund balances in regards to refunds and disbursements.

Col-Rice Representative John Denison then gave a report on the Col-Rice Board activities. The Board had not met in person due to COVID-19. Mr. Denison reported funds were up due to a January tender, exceeding budget projections. Figures had already been covered in Mr. Soileau's report. Denison spoke to the challenges for the group to do trade missions or outreach due to pandemic, but were still seeing positive results due to demand for rice during the times of COVID-19.

**ACTION #3** A motion was made by John Denison, seconded by Sammy Noel and carried, to receive and file the financial and collections reports.

Chairman Fontenot reported that John Denison had served in 2019-2020 as the Col-Rice Board and thanked him for his service. He then reviewed the structure of Dennison chairing the IP subcommittee for LRRB and Dane Hebert chairing the subcommittee for COL-Rice for LRRB. But explained Dennison's role as a national COL-Rice representative gave the board some checks and balances over those funds both internally and externally.

**ACTION #6** A motion was made by Jude Doise, seconded by Eric Savant and approved that John Denison continue serving as Louisiana's director on the Col-Rice Board.

Fontenot the review subcommittee assignments. LRRB Col-Rice Committee was then discussed, as members currently serving were asked their pleasure on continuing to serve on this subcommittee. Dane Hebert (chair), David LaCour, Jeffery Sylvester, and Gerald Leonards were reappointed to this subcommittee by unanimous consent. Similarly, the IP committee members John Dennison (chair), Alan Lawson, Jude Doise, Jason Waller, and Sammy Noel were reappointed to this subcommittee by unanimous consent.

Fontenot then described the idea for a new subcommittee, Program Development. This committee would be charged with reviewing research priorities,

polling farmer and checkoff contributors as to their interests, and would work with LSU and other PI's to focus the scope of research to best match these priorities and farmer interests. The board discussed this committee favorably, going over a timeline and logistics of the subcommittee forming and meeting before the November proposal meeting. LSU personnel also joined the discussion to best meet the needs of the researchers and administration to accomplish these new goals.

**ACTION #7** A motion was made by Eric Savant, seconded by Damian Bollich and carried, that the Board approve the formation of the new Program Development Committee.

Fontenot then discussed with members who did not already have a committee assignment their willingness to join the new PD committee. Eric Savant, who had omitted himself from the COL-Rice committee nominations agreed to serve now on PD and was joined by Damian Bollich and Kim Frey who had not previously served on a subcommittee to form the new PD committee. John Earles would replace Eric Savant on COL-Rice. And Fontenot would chair the PD committee.

Dr. Mike Salassi then updated the board on the LSU virtual field day. He mentioned that LSU would likely try to blend the inperson and virtual formats moving forward, making the research presentations more accessible year round.

Salassi then began a presentation on an agreement LSU was proposed to enter into with Nutrien Ag. Adam Famoso joined the presentation as well discussing the agreement terms, access to a new breeding facility, and current challenges on the breeding program with facility, budget and personnel restraints. LSU Staff reassured the board this agreement would not influence the release of conventional varieties, with only one variety being offered to Nutrien Ag for patent and sale. Doise and Noel suggested LA farmers should receive some sort of discount/rebate for the one variety dealt to this company and LSU agreed to pass along that suggestion to Nutrien Ag. LSU also mentioned LRRB would be consulted on the conventional variety dealt to Nutrien Ag at a later date. LSU concluded the presentation with benefits of the deal and how it would enhance the overall breeding program, allowing for more return on investment LRRB dollars.

Betsy Ward, CEO USA Rice, then addressed the board electronically, inviting board members to attend the electronic USA Rice Board meeting the second week of July. Betsy discussed challenges USA Rice was facing for meetings due to COVID. She discussed options for the Outlook conference, USA Rice financials, and other research related efforts.

Kane Webb then presented information about the LA Rice Growers new website, directory updates, and a report from the LA Rice Growers Assoc. Meeting. The new LRGA website was released that morning along with the LSU Field Day.

Dr. Linscombe gave an update regarding the USA Rice Foundation and thanked the board for their support. Dr. Linscombe discussed Latin America Rice Quality Research, highlighting the work of Adam Famoso, targeting taste preferences and the impact that could have for the LA rice market. Linscombe then made a request for

states to reimburse USA Rice Foundation for the cost of this project, prorated by acres grown in each state. John Dennison shared experiences of visiting Latin America and supported the work.

**ACTION #8** A motion was made by John Dennison, seconded by Eric Savant, and carried for LRRB to contribute \$22,100 to this Latin America Preferences Project, to be budgeted at the November 2020 meeting.

Fontenot briefly discussed the lack of movement on legal challenges involving LRRB and mentioned motions that had been filed in appellate court for the defendants. No ruling had been made at the time of the meeting regarding these motions.

Chairman Fontenot then asked Brown to briefly review the ethics training and reporting requirements for Board members. Members will receive reminder emails and texts from Andy Brown, of which he had done for previous deadline in May 2020.

Fontenot then displayed the Governor's proclamation allowing for electronic attendance and asked for any public comment. No guests raised any questions.

**ACTION #9** A motion was made by John Dennison, seconded by Gerald Leonards and carried to suspend LRRB rules to adhere to Governor Edwards' Proclamation regarding electronic attendance due to COVID-19 for this meeting.

Chairman Fontenot brought up the election of officers.

**ACTION #10** A motion was made by Jeffrey Sylvester, seconded by Damian Bollich, and carried to reelect all officers for the 2020-2021 term whereas Richard Fontenot – Chairman, Dane Hebert – Vice Chairman, and John Dennison – Secretary/Treasurer.

The next meeting date was tentatively set for Thursday, November 5<sup>th</sup>. This would be the project review meeting. Committee meetings were also tentatively scheduled prior to the full meeting. Both IP and Col-Rice will meet October 29<sup>th</sup>, with IP meetings at 10:00 am and Col-Rice at 1:00pm. A meal will be provided between meetings for both committees. PD Committee would meet at the request of the Chairman once the committee was better established.

There being no further business the meeting was adjourned from a motion from Jeffrey Sylvester, seconded and carried by Kim Frey.

**A G E N D A**  
**LOUISIANA RICE RESEARCH BOARD**  
**Business Meeting**  
**July 1, 2020**  
**1:00 p.m.**

- I. Call to Order**
  - A. Approval of Agenda**
    - i. Chairman's Report on Activities**
  - B. Approve Minutes of Previous Meeting**
  - C. Financials**
    - i. Collection Report**
    - ii. Financial Report**
  - D. Colombia ETCR**
    - i. Col-Rice Annual Bd Mtg Report**
    - ii. Approve Director 2020-2021**
  - E. Committee Nominations**
    - i. Col-Rice Committee Nominations**
    - ii. IP Committee Nominations**
    - iii. Next meeting date?**
    - iv. Formation of a Program Development Committee**
  - F. Updates**
    - i. LSU AgCenter – Dr. Mike Salassi**
    - ii. USA Rice Farmers Association – Kane Webb**
    - iii. USA Rice Foundation – Dr. Steve Linscombe**
    - iv. Legal Issues**
    - v. Public Servant Ethics Training**
  - G. Election of Officers**
  - H. Next Meeting**
    - i. Date and Time**
  - I. Other Business**
  - J. Public Comments**
- II. Adjourn**

# Louisiana Rice Research Board Income Statement

May 2020

---

	May 20	Jul '19 - May 20
Ordinary Income/Expense		
Income		
R. RESEARCH ASSESSMEN...	42,354.30	1,314,775.09
Total Income	42,354.30	1,314,775.09
Gross Profit	42,354.30	1,314,775.09
Expense		
PAID TO LDAF		
PD TO LDAF-RICE RSRCH	0.00	12,000.00
Total PAID TO LDAF	0.00	12,000.00
REFUNDS		
RICE RESEARCH	5,554.09	113,561.09
Total REFUNDS	5,554.09	113,561.09
PAID TO BOARD		
PD TO RICE RESRCH BD	36,800.21	1,189,214.00
Total PAID TO BOARD	36,800.21	1,189,214.00
Total Expense	42,354.30	1,314,775.09
Net Ordinary Income	0.00	0.00
Net Income	0.00	0.00



United States Department of Agriculture  
National Agricultural Statistics Service



Louisiana Rice and Grain Stocks

Released: June 30, 2020

Delta Region – Louisiana Field Office

5825 Florida Blvd., Suite 1179, Baton Rouge, LA 70806  
(225) 922-1362 · (855) 270-2705 FAX · [www.nass.usda.gov](http://www.nass.usda.gov)

Cooperating with the Louisiana Department of Agriculture and Forestry

This report contains the results from the **2020 June Agricultural, Rice Stocks, and Grain Stocks surveys**. These data are also posted on our web site at <https://www.nass.usda.gov/la> and in a more detailed report at <https://www.nass.usda.gov>. Thanks to all who responded to these surveys.

June 1 Rough Rice Stocks Down 39 Percent

Louisiana **rough rice** stocks in all positions on June 1, 2020, totaled 3.01 million hundredweight (cwt), down 39 percent from June 1, 2019. Stocks held on farms totaled 220,000 cwt, down 65 percent from last year. Off farm stocks totaled 2.79 million cwt, down 35 percent from last year.

Rice Stocks by Position - States and United States: June 1, 2019 and 2020

Class and State	On farms		Off farms <sup>1</sup>		Total all positions	
	2019	2020	2019	2020	2019	2020
<b>Rough rice</b>	(1,000 cwt)	(1,000 cwt)	(1,000 cwt)	(1,000 cwt)	(1,000 cwt)	(1,000 cwt)
Arkansas .....	7,300	4,100	29,697	20,196	36,997	24,296
California .....	695	775	12,836	11,480	13,531	12,255
<b>Louisiana</b> .....	620	220	4,320	2,794	4,940	3,014
Mississippi .....	1,450	230	683	600	2,133	830
Missouri .....	(D)	(D)	(D)	(D)	2,637	(D)
Texas .....	(D)	(D)	(D)	(D)	3,323	(D)
United States <sup>2</sup> .....	11,465	5,785	52,096	40,453	63,561	46,238
<b>Milled rice</b>			(1,000 cwt)	(1,000 cwt)	(1,000 cwt)	(1,000 cwt)
Arkansas .....	(X)	(X)	1,680	1,384	1,680	1,384
California .....	(X)	(X)	1,554	1,965	1,554	1,965
<b>Louisiana</b> .....	(X)	(X)	(D)	(D)	(D)	(D)
Mississippi .....	(X)	(X)	(D)	(D)	(D)	(D)
Missouri .....	(X)	(X)	(D)	(D)	(D)	(D)
Texas .....	(X)	(X)	642	413	642	413
United States <sup>2</sup> .....	(X)	(X)	4,736	4,307	4,736	4,307

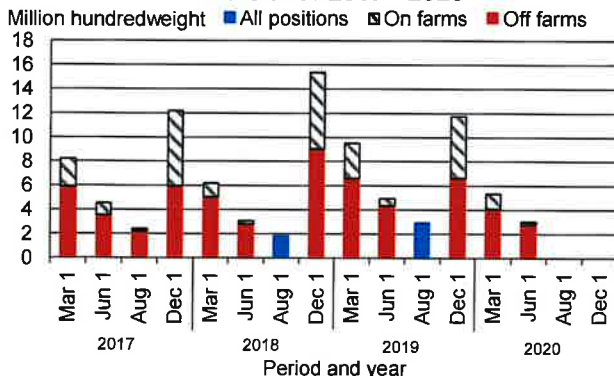
(D) Withheld to avoid disclosing data for individual operations.

(X) Not applicable.

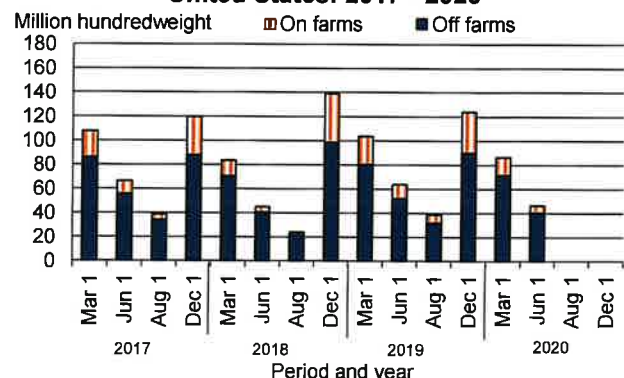
<sup>1</sup> Includes stocks at mills, elevators, warehouses, ports, and in transit.

<sup>2</sup> Includes State data withheld to avoid disclosure of individual operations.

Rough Rice: Stocks by Position  
Louisiana: 2017 - 2020



Rough Rice: Stocks by Position  
United States: 2017 - 2020





United States Department of Agriculture  
National Agricultural Statistics Service



## Louisiana Acreage

Released: June 30, 2020

---

**Delta Region – Louisiana Field Office**

5825 Florida Blvd., Suite 1179, Baton Rouge, LA 70806  
(225) 922-1362 · (855) 270-2705 FAX · [www.nass.usda.gov](http://www.nass.usda.gov)

**Cooperating with the Louisiana Department of Agriculture and Forestry**

---

This report contains the results from the **2020 June Agricultural Survey**. These data are also posted on our web site at <https://www.nass.usda.gov/la> and in a more detailed report at <https://www.nass.usda.gov>. Thanks to all who responded to this survey.

**Corn Planted Acreage Up 2 Percent from 2019**

**Cotton Planted Acreage Down 29 Percent**

**Rice Planted Acreage Up 1 Percent**

**Soybean Planted Acreage Up 24 Percent**

Louisiana **corn** planted area for all purpose is estimated at 580,000 acres, up 10,000 acres from a year ago but down 100,000 acres from March planting intentions.

**Upland cotton** planted acres is estimated at 200,000, down 80,000 acres from a year ago and down 30,000 acres from March planting intentions.

**All hay** expected to be harvested is estimated at 380,000 acres, down 10,000 acres from a year ago and down 40,000 acres from March intentions.

**All rice** planted area for 2020 is estimated at 430,000 acres, up 5,000 acres from a year ago but unchanged from March planting intentions. Breakout is 390,000 acres for long grain and 40,000 acres for medium grain.

**Soybeans** planted area is estimated at 1.10 million acres, up 210,000 acres from a year ago and up 120,000 acres from March planting intentions.

**Sugarcane** for sugar and seed harvested acres is estimated at 480,000 acres, up 11,000 acres from a year ago.





## **LSU AgCenter – Nutrien Hybrid Rice Research Agreement**

In April 2020, the LSU AgCenter entered into a research agreement with Loveland Products, Inc. (Nutrien Ag Solutions) with the objective of initiating the research and development of 3-line hybrid rice varieties.

### **Background:**

- 1) Desire by LSU AgCenter to become more involved in hybrid rice variety development
- 2) Necessity of obtaining additional upfront research financial support for the station
- 3) Development of commercial hybrids by a university requires a commercial partner

### **Agreement Summary:**

- 1) Initial agreement is for five years – 2020-2024
- 2) Nutrien will provide:
  - a. Access to additional hybrid rice germplasm
  - b. Access to additional rice research locations
  - c. Capacity in hybrid seed production and testing
  - d. Additional upfront research funding
- 3) Royalties back to LSU AgCenter based on percent of net margin sales values
- 4) Project agreement deliverables (milestones):
  - a. A pureline conventional rice variety to be licensed to Nutrien, to be determined by LSU AgCenter and LRRB
  - b. Determination of parent seed lines for 3-line hybrid seed production
  - c. A 3-line conventional hybrid rice variety to be licensed to Nutrien

### **Other Variety Development Work:**

- 1) AgCenter development and public release of conventional rice varieties will continue
- 2) AgCenter work with BASF on Clearfield and Provisia lines will continue

**LOUISIANA RICE RESEARCH BOARD**

**OPERATING REPORT**

**MAY 31, 2020**

C O N T E N T S

	Page
ACCOUNTANT'S COMPILATION REPORT	1
FINANCIAL STATEMENTS	
Statements of financial position	2
Statements of activities	3
SUPPLEMENTARY INFORMATION	
Schedules of TRQ funds	4
Schedules of income from Louisiana Department of Agriculture and TRQ funds	5



DUGAS, SOILEAU & BREAUX, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Louisiana Rice Research Board  
Crowley, Louisiana

Management is responsible for the accompanying financial statements of Louisiana Rice Research Board (a nonprofit organization), which comprise the statements of financial position as of May 31, 2020 and 2019, and the related statements of activities for the eleven months then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in the schedules of TRQ Funds and Income from Louisiana Department of Agriculture and TRQ Funds is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Louisiana Rice Research Board.

Crowley, Louisiana  
June 29, 2020

122 East 5th Street  
P.O. Drawer 307  
Crowley, Louisiana 70527-0307  
Phone (337) 783-0650  
Fax (337) 783-7238

Kenneth R. Dugas, CPA\*  
S.Scott Soileau, CPA\*  
Troy J. BreauX, CPA\*  
Nathan J. Trahan, CPA°  
Frank C. Jabusch III, CPA°

Eugene C. Gilder, CPA\*

Bernadette Alleman, CPA  
Britney M. Benoît, CPA

Members of American Institute  
of Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

\* A Professional Accounting Corporation  
°A Professional Limited Liability Company

LOUISIANA RICE RESEARCH BOARD

STATEMENTS OF ACTIVITIES  
 Eleven Months Ended May 31, 2020 and 2019  
 See Accountant's Compilation Report

	<u>2020</u>	<u>2019</u>
<b>Revenues:</b>		
Check-off funds - new check-off - Louisiana Department of Agriculture	\$ 1,315,775	\$ 1,242,338
EU - TRQ funds	5,961	28,445
COL - TRQ funds	2,148,919	955,003
Interest income	15,146	17,024
Total revenues	<u>\$ 3,484,801</u>	<u>\$ 2,242,810</u>
<b>Expenses:</b>		
Payments to LSU Ag Center:		
Check-off funds	\$ 1,208,951	\$ 1,372,988
EU - TRQ funds	41,805	40,599
COL - TRQ funds	746,927	890,755
Payments - The Rice Foundation	35,000	52,000
Payments - USA Rice Federation	15,155	15,178
Endowed Chair	1,000,000	1,500,000
Auditing	4,500	3,975
Professional services	3,600	3,600
Miscellaneous expense	110	2,164
Collection charge - Louisiana Department of Agriculture	12,000	12,000
Refunds of check-off funds paid	113,561	100,100
Total expenses	<u>\$ 3,181,609</u>	<u>\$ 3,993,359</u>
Change in net assets	\$ 303,192	\$ (1,750,549)
Net assets - beginning	<u>3,764,518</u>	<u>5,414,554</u>
Net assets - ending	<u>\$ 4,067,710</u>	<u>\$ 3,664,005</u>

LOUISIANA RICE RESEARCH BOARD  
 STATEMENTS OF FINANCIAL POSITION  
 May 31, 2020 and 2019  
 See Accountant's Compilation Report

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash in bank	\$3,902,483	\$5,092,767
Cash held by Department of Agriculture	100	100
Accounts receivable - Department of Agriculture	<u>171,088</u>	<u>158,843</u>
Total assets	<u>\$4,073,671</u>	<u>\$5,251,710</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 1,400	\$1,587,705
Unrestricted net assets	<u>4,072,271</u>	<u>3,664,005</u>
Total liabilities and net assets	<u>\$4,073,671</u>	<u>\$5,251,710</u>

LOUISIANA RICE RESEARCH BOARD

SCHEDULES OF TRQ FUNDS  
 Eleven Months Ended May 31, 2020 and 2019  
 See Accountant's Compilation Report

	<u>2020</u>	<u>2019</u>
Beginning balance EU - TRQ funds	\$ 73,340	\$ 85,134
Revenues:		
The Rice Foundation	\$ 5,961	\$ 28,445
Interest income	248	330
	<u>\$ 6,209</u>	<u>\$ 28,775</u>
Expenditures:		
L.S.U. Ag. Station	<u>41,805</u>	<u>40,600</u>
Revenues less expenditures - EU - TRQ funds	<u>\$ (35,596)</u>	<u>\$ (11,825)</u>
Ending balance - EU - TRQ funds	<u>\$ 37,744</u>	<u>\$ 73,309</u>
Beginning balance - COL - TRQ funds	<u>\$3,000,756</u>	<u>\$4,497,300</u>
Revenues	\$2,148,919	\$ 955,003
Interest income	13,302	14,281
	<u>\$2,162,221</u>	<u>\$ 969,284</u>
Expenditures:		
L.S.U. Ag Station	\$ 746,927	\$ 937,755
USA Rice Federation	-	-
Endowed Chair	<u>1,000,000</u>	<u>1,500,000</u>
	<u>\$1,746,927</u>	<u>\$2,437,755</u>
Revenues less expenditures - COL - TRQ funds	<u>415,294</u>	<u>(1,468,471)</u>
Ending balance COL - TRQ funds	<u>\$3,416,050</u>	<u>\$3,028,829</u>

**Louisiana Rice Research Board**  
**Schedules of Income from Louisiana Department of Agriculture and TRQ Funds**  
**Years Ended June 30, 2015 through 2020**

<b>Monthly Income</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
July	\$78,919	\$44,389	\$124,219	\$66,001	\$12,065	\$109,668
August	65,493	109,251	20,536	40,324	35,196	85,167
September	52,367	111,644	75,206	100,390	80,234	67,962
October	142,501	179,174	90,655	151,196	119,887	125,655
November	152,466	198,027	141,354	131,680	157,922	140,245
December	121,998	137,479	114,759	121,907	138,695	112,358
January	131,566	168,676	173,127	194,768	79,315	296,372
February	292,184	117,758	142,082	130,202	259,753	180,405
March	138,395	134,482	179,578	66,107	172,275	74,564
April	160,595	126,890	153,711	245,494	99,909	80,025
May	121,929	96,860	119,348	105,466	85,039	42,354
June	97,956	86,042	90,186	48,643	105,814	
<b>Total Check-off funds income</b>	<b>\$1,556,369</b>	<b>\$1,510,672</b>	<b>\$1,424,761</b>	<b>\$1,402,178</b>	<b>\$1,346,104</b>	<b>\$1,314,775</b>
<b>Total EU-TRQ funds income</b>	<b>15,794</b>	<b>15,639</b>	<b>15,297</b>	<b>24,667</b>	<b>28,445</b>	<b>5,961</b>
<b>Total COL-TRQ income</b>	<b>2,402,670</b>	<b>2,369,995</b>	<b>1,771,278</b>	<b>515,260</b>	<b>955,003</b>	<b>2,148,919</b>
<b>Total Check-off and TRQ income</b>	<b>\$3,974,833</b>	<b>\$3,896,306</b>	<b>\$3,211,336</b>	<b>\$1,942,105</b>	<b>\$2,329,552</b>	<b>\$3,469,655</b>

<b>Cumulative Check-Off Income</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
July	\$78,919	\$44,389	\$124,219	\$66,001	\$12,065	\$109,668
August	144,412	153,640	144,755	106,325	47,261	194,835
September	196,779	265,284	219,961	206,715	127,495	262,797
October	339,280	444,458	310,616	357,911	247,382	388,452
December	491,746	642,485	451,970	489,591	405,304	528,697
December	613,744	779,964	566,729	611,498	543,999	641,055
January	745,310	948,640	739,856	806,266	623,314	937,427
February	1,037,494	1,066,398	881,938	936,468	883,067	1,117,832
March	1,175,889	1,200,880	1,061,516	1,002,575	1,055,342	1,192,396
April	1,336,484	1,327,770	1,215,227	1,248,069	1,155,251	1,272,421
May	1,458,413	1,424,630	1,334,575	1,353,535	1,240,290	1,314,775
June	1,556,369	1,510,672	1,424,761	1,402,178	1,346,104	



**TABLE 4. RESERVE POLICY ADOPTED 11/4/14.**

Reserve Established by Col-Rice TRQ Funds	<u>\$1,500,000</u>
---	--------------------

**TABLE 5. LSU AGCTR 2020 PROJECT FUNDING AND PROJECTED YEAR-END RESERVES (6/30/20).**

	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
TOTAL NET FUNDS AVAILABLE FOR 2020 PROJECTS	914,953	2,503,668		
LSU AGCTR 2019 RES. PROJECTS CONTINUING	914,953		42,610	1,546,106
NEW				0
TOTAL	914,953	Res. Projects	35,000	868,853
COMBINED TOTAL		1,818,806		
TRQ RECOMMENDATIONS				
Col Rice Black Bird				20,000
TOTAL LSU PROJECTS				888,853
OTHER PROJECTS				
Col-Rice LSU Foundation - Chair				500,000
TOTAL	-			1,388,853
PROJECTED NET	0		7,610	157,253
TOTAL NET		\$164,862		
TRQ RESERVE				\$1,500,000
UNENCUMBERED RESERVES (6/30/20)	0		7,610	\$1,657,253

LSU 2020 Contract by Fund Type	914,953		35,000	\$888,853
TOTAL		\$1,838,806		

**Table 1. CHECKOFF REVENUE PROJECTIONS 10/28/2019**

2019 CROP	ESTIMATES			
	NASS		EU -TRQ	COL-Rice TRQ
ACRES	415,000		2020	YTD
YIELD	63.2			
TOTAL PRODUCTION	26,219,700			
CHECKOFF	\$ 0.05			
TOTAL COLLECTIONS	\$ 1,310,985.00			
REFUNDS				
& SLIPPAGE (%)	\$ 104,878.80			
TRQ EU 2020			23,000	
COL-Rice 2019				1,044,481
<b>REVENUE ESTIMATE</b>	<b>\$1,206,106</b>		<b>\$23,000</b>	<b>\$ 1,044,481</b>

May 20 1,189,214  
-16,892

28,445

**Table 2. Unencumbered Balances**

	FUNDS			
	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
UNENCUMBERED BALANCE 6/30/19 (Net of all Contractual Obligations) Reserve (allocation Nov 14 & 15)	\$ (99,142.99)	\$ 2,672,455	17,610	2,753,988
				(1,500,000)
<b>TOTAL FUNDS</b>	<b>\$ (99,143)</b>		<b>\$ 17,610</b>	<b>\$ 1,253,988</b>

**TABLE 3. PROJECTED BUDGET RICE RESEARCH BOARD 2019-2020.**

	FUNDS			
	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
UNENCUMBERED BALANCE 6/30/19	-99,143	\$1,172,455	17,610	1,253,988
ESTIMATED REVENUE	1,206,106		23,000	
INTEREST INCOME EST	1,000			6,000
COL- Rice TRQ 6/19 AUCTION				98,884
COL- Rice TRQ 10/19 AUCTION				217,234
<b>FUNDS AVAILABLE</b>	<b>\$ 1,107,963</b>		<b>\$ 40,610</b>	<b>\$ 1,576,106</b>
<b>EXPENSES</b>				
LDAF	12,000			
<b>OPERATING EXPENSES</b>				
STATE AUDIT	2,910			
PROFESSIONAL FEES	3,600			
LEGAL RES. (6/27/18)	150,000			
PRINTING	2,500			
MISCELLANEOUS	1,000			
USA RICE FEDERATION	16,000			
USA RICE FOUNDATION	5,000			30,000
TOTAL OPERATING EXP.	181,010			
<b>TOTAL EXPENSES</b>	<b>193,010</b>			
<b>NET FUNDS AVAILABLE</b>	<b>914,953</b>		<b>40,610</b>	<b>1,546,106</b>
<b>TOTAL COMBINED FUNDS</b>		<b>\$2,501,668</b>		

## LOUISIANA RICE RESEARCH BOARD

Crowley, Louisiana

November 7, 2019

---

<b>MEMBERS PRESENT:</b>	Richard Fontenot, Dane Hebert, John Earles, Alan Lawson, Benjy Rayburn for LDAF Commissioner Mike Strain, Sammy Noel, Gerald Leonards, Jeffery Sylvester, Eric Savant, and David LaCour
<b>MEMBERS ABSENT:</b>	John Denison, Jude Doise, Damian Bollich, Kim Frey, Jason Waller
<b>OTHERS PRESENT:</b>	Kurt Guidry, Kyle McCann, Bruce Schultz, Dustin Harrell, Rogers Leonard, Scott Soileau, Kane Webb, Don Groth, Mike Salassi and Andy Brown

---

The business meeting was called to order following the research project reports and ribbon cutting ceremony for the new facility additions. Chairman, Richard Fontenot prior to business made a special presentation to Executive Director Kyle McCann, as this would be his last meeting in this role due to his promotion within the Louisiana Farm Bureau. Fontenot presented McCann with a plaque and thanked him for his years and many hours of dedicated service to better the Louisiana rice industry and the lives of many farm families. All board members shared comments and stories of McCann's time and thanked him for his contributions. Fontenot then called the business meeting to order and asked members to review the agenda items.

**ACTION #1** A motion was made by Jeffrey Sylvester, seconded by Sammy Noel and carried, to approve the agenda.

The Board next considered the minutes of the previous meeting.

**ACTION #2** A motion was made by Jeffrey Sylvester, seconded by Dane Hebert and carried, to approve the minutes of the previous meeting on June 26, 2019 and the special meeting from September 25, 2019.

Fontenot shared remarks and apologies of board members who were absent. He explained that they would postpone a board photo with a number of members being out, and that Bruce Schultz would use a board photo from the July field day for publications, instead. Despite the absences, a quorum was announced as present.

The LDAF September 2019 assessment collections report was then presented by Kyle McCann. For the month of September assessment collections were \$67,962. The year to date assessment collections were \$244,442.86 and year to date refunds were \$13,098.58 or approximately 5% of total collections. McCann had spoken with LDAF, and October collections report was being completed, but would not be

available for this meeting.

Scott Soileau then reviewed the previous year end June 30, 2019 financial operating report. He reviewed each of the various fund balances and discussed the current financial position of the Board. The Board discussed their current financial position and the current fund balances. Of note, Soileau mentioned a higher carryover of the FY2019 crop sold in the beginning of FY2020 likely contributed to higher collections to begin this fiscal year. He expected pace to return closer to trend in coming months.

**Action #3** A motion was made by Dane Hebert, Seconded by John Earls and carried, to receive and file the collections and financial reports presented.

For interest of time, Chairman Fontenot then asked the board to consider allowing Kane Webb to present the USA Rice Report earlier in the agenda. With no objections, Kane Webb shared information about the 2019 Rice Outlook Conference in Little Rock, AR. Webb then shared of successful trade missions and groups visiting the US rice industry from South America, Iraq, and others. USA Rice facilitated these groups to visit Washing DC, farms in AR and MS, and the Iraq group visited the Port of Lake Charles. Lastly, Webb shared the joint meeting of the LA Rice Growers and LA Rice Council in Jennings had been delayed to late January or early February to accommodate a guest speaker.

The next agenda item was legal considerations. Chairman Fontenot indicated that an appellate court had picked up the case, delaying trial until 2020. With continued delays, Fontenot asked the board to consider potential legal costs in the budget process further down the agenda.

The Intellectual Property Committee report was then presented by Alan Lawson, at the request of the committee chairman John Dennison who could not attend the meeting. This year \$156,700 was available for projects. The committee recommend funding 3 of 4, 2020 project requests totaling \$155,462 (attached). The remaining funds were recommended to be allocated to priority #1, for the crawfish/rice research project of \$1,000 for a total funding recommendation of \$156,462. Chairman Fontenot reviewed the committee's purpose and the funding process. Rogers Leonard reminded the Board that the LSU AgCenter royalty funds are not transferred to the Board but are allocated to projects recommended by the committee and approved by the Board under the MOU. The majority of royalties come from technology used in other states and countries. Royalties will decline as patents roll off. The committee also recommended amending the MOU with the LSU AgCenter to include any future IP dollars from patents as a result of research funded by the LRRB.

**ACTION #4** A motion was made by Jeffrey Sylvester, seconded by Gerald Leonards and carried to approve the funding recommendations of the IP Committee of projects 1-3, excluding project 4; totaling funding at \$156,462 with \$1,000 being added to the rice/crawfish project request.

**ACTION #5** A motion was made by Eric Savant, seconded by Jeffrey Sylvester and carried to follow the recommendation of the IP Committee to amend the current MOU and future MOUs between the LRRB and the LSU AgCenter

to include future royalties from patented products that resulted from LRRB funded projects.

The Board then considered Col-Rice Fund Use Committee report and funding recommendations for Col-Rice TRQ funds. Dane Hebert presented the Col-Rice Committee report and recommendations. The Committee discussed the endowment and the desire to increase it over time and recommended the allocation of another \$500,000 to the endowment. The Committee recommended the funding of one project, \$20,000 for black bird control for 2020. They also recommended allocating the remainder of Col-Rice TRQ funds of \$726,106 to be made available for 2020 rice research projects. Kyle McCann reviewed the available TRQ balances and reserves, but also noted a shortfall in 2019 collections versus budgeted projections. The Board discussed how the Col-Rice TRQ funds became available, the process in place and the future of this source of revenue.

**ACTION #6** A motion was made from the committee's action through Dane Hebert, seconded by Gerald Leonards and carried, that the Col-Rice committee recommendations for Col Rice TRQ funds be approved as presented for \$20,000 be allocated for 2020 black bird depredation and the allocation of an additional \$500,000 for the rice research endowment with the LSU Foundation; with the remaining \$726,106 being available for research projects.

The Board then considered representation for Louisiana on the national Col-Rice Committee. Chairman Fontenot noted that John Dennison had been serving in this role and was interested in continuing to serve. Discussion ensued amongst the board on the role of this committee.

**ACTION #7** A motion was made by Gerald Leonards, seconded by John Earls and carried to reappoint John Dennison as Louisiana's Col-Rice representative.

The Board then considered the checkoff assessment and EU TRQ income estimates and operating budget. Kyle McCann reviewed the assessment income for this year's crop, a shortfall in checkoff income balances as of 6/30/19 and the board's operational budget estimates for FY 2020. After some discussion and general agreement on income estimates and operating expenses, the Board began to discuss the proposed research projects (continuing and new) and the funding requests. Other budget considerations, such as legal fees and projections on future TRQ incomes were discussed.

**ACTION #8** A motion was made Jeffrey Sylvester, seconded by Alan Lawson and carried, to set aside \$150,000 in the budgeting process to maintain for legal fees (if necessary) for continued litigation against the LRRB and Department of Agriculture and Forestry.

The Board continued legal fee discussion and allocation of funds for legal representation. Questions were raised on funding sources and which allocation of funds would best be suited to cover any legal fees incurred by the LRRB.

**ACTION #9** A motion was made by Dane Hebert, seconded by Eric Savant and carried, requesting Chairman Fontenot consult with legal counsel and have them discuss the use of checkoff dollars with the Attorney General's office or other counsel as they see fit.

The Board then entered into review of each continuing project and established funding levels for 2020 by reducing some projects and maintaining some others at their 2019 levels. The Board then reviewed new projects and selected 1 new project to be funded for 2020.

**ACTION #9** A motion was made by Jeffrey Sylvester, seconded by Dane Hebert and carried to approve funding levels for the LSU AgCenter 2020 continuing projects and add 1 new project selected for 2020 at a total funding level \$1,838,806 with needed funds beyond checkoff collections being sourced from Col-Rice TRQ funds.

Kyle McCann then reviewed the funding decisions, operating budget and the impact on projected reserves by fund type. The 2020 projects funded by checkoff funds of \$914,953, EU TRQ was \$35,000 and Col-Rice TRQ was set at \$888,853 for a grand total of \$1,838,806 with the LSU AgCenter for 2020.

Dr. Don Groth then gave the 2019 Endowment Report, updating the board on the performance of the invested funds and allocation of funds (report attached).

The approved projects, final funding level allocations and budget are attached. After agreeing to the 2020 funding allocations and budget, the Board considered the necessary contracts for 2020.

**ACTION #10** A motion was made by Gerald Leonards, seconded by Eric Savant and carried to approve the funding levels, budget and necessary contracts for 2020 with organizations and individuals in the amounts agreed to in the approved operating budget and project allocations; USA Rice up to \$16,000; The Rice Foundation \$35,000; accounting with Dugas, Soileau and Breaux \$1,600; administrative with Andy Brown \$2,000. This motion also included giving Andy Brown viewing privileges for LRRB bank accounts.

**ACTION #11** A motion was made by Jeffrey Sylvester, seconded by Alan Lawson and carried, to approve a budget and necessary contracts for 2020 with the LSU AgCenter in the amount of \$1,838,806.

**ACTION #12** A motion was made by Gerald Leonards, seconded by Jeffrey Sylvester and carried to approve budget and necessary contracts for 2020 with the LSU Foundation for \$500,000 for the endowed chair.

An LSU AgCenter Southwest regional director report was presented. Dr. Kurt Guidry gave a brief report on staffing and thanked the leadership of Drs. Groth and Harrell for their responsibilities and performance of duties at the Rice Research Station.

An update was given for the LSU AgCenter Administration by Dr. Rogers Leonard. Dr. Leonard notified the Board of his retirement date in February 2020. Being this would likely be his last LRRB meeting, Dr. Leonard thanked the members and others present for their great relationship over numerous years and touted the LRRB as a model of the checkoff program and its benefit to all parties involved. He introduced his successor, Dr. Mike Salassi. Dr. Salassi thanked Dr. Leonard for his years of outstanding work. Dr. Salassi addressed the Board and noted that work with checkoff boards was one of the top reasons he pursued this position. Dr. Salassi will take on this role fulltime in March 2020.

Kyle McCann then briefly reviewed the ethics training and reporting requirements for Board members. The online ethics training is an annual requirement to be fulfilled by the end of the year. Members were encouraged to send their completion certificate to Andy Brown via email.

The next Board meeting would be held in June 2020 immediately following the field day program.

The Public Comment period was held. No comments were received.

There being no further business the meeting was adjourned.