

## MINUTES

### LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

Dairy Stabilization Board  
Veterans' Memorial Auditorium  
5825 Florida Boulevard  
Baton Rouge, LA 70806

10:00 a.m., December 29, 2009

#### **I. Call to Order:**

Chairman Hillar Moore, Jr., called meeting to order at 10:05 a.m.

#### **II. Roll Call and Declaration of Quorum**

Mr. Hillar Moore, Jr.  
Mr. Vernon Toups  
Ms. Mary Caplinger  
Mr. Vincent Cannata  
Mr. Dean Graner

Absent:  
Mr. Daryl Robertson  
Mr. Gerry R. Lane

There were five (5) members present. Mr. Hillar Moore, Jr., Chairman, declared there was a quorum present as required to conduct official business.

#### **Staff Members Present:**

Director of the Dairy Stabilization Board, Bob Simon  
Assistant Division Director, David Meche  
Secretary, Gail Moutz  
Auditor, John Smith

#### **Guests Present:**

Gerald Simmons, Louisiana Dairy Products  
Dr. Bruce Jenny, LSU Professor of Dairy Sciences, School of Animal Sciences  
Matt Ewing, Program Manager of the Milk and Dairy Program, Department of Health and Hospitals

#### **III. Election of Officers**

A motion was made by Mr. Vernon Toups and seconded by Ms. Mickie Caplinger to nominate Mr. Hillar Moore as Chairman of the Dairy Stabilization Board. The motion passed unanimously.

A motion was made by Mr. Hillar Moore and seconded by Mr. Dean Graner to nominate Mr. Vernon Toups as Vice-Chairman of the Dairy Stabilization Board. The motion passed unanimously.

A motion was made by Mr. Vernon Toups and seconded by Ms. Mickie Caplinger to nominate Mr. Dean Graner as Secretary of the Dairy Stabilization Board. The motion passed unanimously.

#### **IV. Adoption of Minutes – November 13, 2008**

A motion was made by Mr. Dean Graner and seconded by Ms. Mickie Caplinger to approve the minutes. The motion passed unanimously.

#### **V. Review of Financial Statement**

Mr. Bob Simon, Director of the Dairy Stabilization Board went over the financial statements for a thirteen month period. Mr. Simon stated that salaries have changed slightly due to changing of some positions. He reported that travel was down due to fuel decreases.

Mr. Simon reported there were no indirect costs which were previously at 58% showing a negative for assessments. He stated the Financial Statements presently shows total expenditures at \$223,370 and a net income of \$56,638 now. Mr. Simon stated the assessments are steady and we have not had any problems collecting any.

A motion was made by Mr. Dean Graner and seconded by Mr. Vincent Cannata to approve the Financial Statement. The motion passed unanimously.

#### **VI. Reports**

A. Mr. Matt Ewing, Program Manager of the Milk and Dairy Division, LA Health and Hospitals, on behalf of Mr. Gary Cazaubon, gave a report. He stated that there are 140 dairy farms in the state producing about 800,000 pounds of milk a day. Mr. Ewing stated there are six major processors producing about two million pounds which means the dairy farms are not producing enough milk to supply the plants. He stated there is one small producer processor in the state producing fluid milk and some cheese, two more proposed small producer processors. Mr. Ewing stated there are three small cheese plants, two goat producer processors, two proposed goat producer processors, eighty out of state processors that sell fluid milk in the state that are permitted, approximately ninety-five frozen dessert plants out of state selling products in the state of Louisiana and one in state producing frozen desserts that is being regulated which is Kleinpeter Dairy.

Mr. Ewing stated that when out of state plants have been permitted, the DHH, Milk and Dairy Division notify the Louisiana Department of Agriculture & Forestry, Dairy Division and the Dairy Division licenses the plant.

Mr. Bob Simon commented that the assessments that the LDAF, Dairy Division receives \$250,000 a year and it has continued to be consistent. The department has no problems in collecting from assessments.

B. Dr. Bruce Jenny, LSU Professor of Dairy Sciences, School of Animal Sciences, gave a report on its dairy program.

Dr. Jenny stated the Animal School of Sciences is facing mid-year budget cuts and are unsure what effect it will have on the department. He stated the department did experience cutbacks in the beginning of the year but have been able to fill some critical positions needed to continue operations.

The Dairy Program student numbers in the dairy area, pre-vet with dairy concentration and major dairy concentrations, are approximately thirty-five to forty. The dairy industry has helped to develop a strong scholarship program. The Dairy School of Animal Sciences is able to offer approximately twenty undergraduate scholarships valued at approximately \$2,000 a year to some of the students. Dr. Jenny commented that the students participating are good quality students and for most of the students there are jobs available prior to graduation.

Dr. Jenny reported that this year the department was able to have the Christmas cheese sale although most everything was lost resulting from Hurricane Gustoff. He stated the LSU ice cream was still being made on campus in hopes to start offering ice cream at the baseball games as well as football games. Dr. Jenny stated this helps to promote their program and the Ag Center as well.

C. Gerald Simmons – Louisiana Dairy Products Association

Mr. Simmons reported on the fall outing at Emerald Hills in Many, Louisiana. He thanked the Louisiana Department of Agriculture & Forestry for participating and assisting in conducting the meeting.

Mr. Simmons stated the coming regular session of the Louisiana Legislature was discussed. He stated the reduction of revenue in the state of Louisiana will result in additional cuts in Louisiana Departments of Agriculture & Forestry and agencies statewide. Mr. Simmons stated the dairy industry will cooperate with the department to minimize the effect of the cuts to agriculture. He stated it is anticipated a 1.3 billion dollar reduction in revenue for the next fiscal year.

Mr. Simmons stated there will be a report of the Streamline Commission appointed by Governor Jindal and discussion of the recommended cost savings in the report will be forwarded to the legislature for its consideration in the next regular session. He stated it was stressed that all revenue funding the Dairy Stabilization Board receives is generated from the Dairy Processing industry in the form of a fee charge based on volume of production and the

money is used to support the board in its execution of board policy stated in its objectives.

Mr. Simmons commented that the industry would be involved in the coming session and would report back to the Dairy Stabilization Board.

**VII. Old Business**

Mr. Danny McCartney, Assistant Director of Weights and Measures gave a report on an article on raw milk resulting in ecoli in other states.

**IX. New Business**

Mr. Bob Simon reported that there was stability in the market. He stated there are approximately twelve or thirteen companies in the market that are not licensed by the Dairy Division but they are regulated. He stated their businesses are mainly promotions on yogurts, ice cream and milk products and non-dairy products. Mr. Simon stated that the Dairy Division regulates them to make sure the companies are buying products from people that are licensed and paying assessments.

**X. Public Comments**

None

**XI. Date for the next meeting**

The date for the next Dairy Stabilization Board meeting will be determined at a later date.

**XII. Adjournment**

A motion was made by Mr. Vernon Toups and seconded by Mr. Dean Graner to adjourn the Dairy Stabilization Board meeting. The motion passed unanimously.

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Dean Graner, Secretary  
Louisiana Dairy Stabilization Board