

MINUTES

THURSDAY, JUNE 27, 2019
LOUISIANA DAIRY INDUSTRY PROMOTION BOARD MEETING
47076 N MORRISON BOULEVARD
CONFERENCE ROOM
HAMMOND, LA

CALL TO ORDER

Chairman Susie Sharkey called the meeting to order at 9:14 a.m.

ROLL CALL

LDIPB Director Michelle Estay called the roll.

DECLARATION OF A QUORUM

The presence of a quorum was declared by Chairman Sharkey.

MEMBERS PRESENT

MEMBERS ABSENT

MACK BROWN
JOHN INGRAFFIA
ROBERT SHARKEY
SUSIE SHARKEY
MATT TRAVIS
MICHELLE ESTAY – DESIGNEE FOR COMMISSIONER MIKE STRAIN, DVM

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

A motion made by Robert Sharkey and second by Matt Travis to approve the minutes of the March 21, 2019, meeting. The motion carried.

FINANCIAL REPORTS

Mrs. Estay read the February through May 2019 financial reports.

A motion made by Mack Brown and second by Robert Sharkey to approve the February through May 2019 financial reports. The motion carried.

Mrs. Estay gave members another handout that contained “cleanup” work to close out June. She stated that they would not vote on approving this financial report because it still has to be reconciled with the bank records when they arrive, so it was incomplete. Mrs. Estay informed the Board that assessments year-to-date through June total \$126,736.62 and grant deposits were made in the amount of \$25,775.00 for reimbursement of grant promotions. She explained that the Board was awarded a budget of \$30,000.00, but the amount expended shows less. Louisiana Agricultural Finance Authority (LAFA) directly paid for the coloring books and bags because they were done through State Printing. Mrs. Estay said that with that portion added, it would bring the total up to the grant amount. She stated that grant reimbursements showing on the financial reports are for checks written to Lamar Advertising for billboards and other advertising in which LAFA reimbursed the Board.

Mrs. Estay informed board members that the Board has received \$166,628.53 in revenue so far this year including t-shirt sales and interest income. She explained that all advertising expenses to date have been submitted including LSU Sports, Dads & Daughters, billboards, digital and Garrison. Mrs. Estay said that spending for SUDIA and Dairy Max is the same amount as usual, and June’s payment is not listed because their fifty percent of assessments will not be paid until the last day of the month in case another check comes in. She stated that the Board paid for the poster contest, Dairy Days and \$1,651.80 for additional t-shirts. Mrs. Estay informed board members that three percent of assessments paid to LDAF and assessments paid to Dairy Max would still need to come out June 30. She said the report shows that the Board spent more than it brought in, but payments are received a month behind. Mrs. Estay stated that the Board can anticipate approximately \$10,000.00 yet to come in and half will go to Dairy Max’s contract. She explained that the Board should be in a good position to not spend into our checking balance reserves due to less promotional items being purchased than were budgeted. Mrs. Estay said that with the additional grant funds, drawstring backpacks and 2,000 more coloring books were purchased under that funding.

Mrs. Estay advised members that three “cleanup” motions were needed due to being over budget in a few areas where expenditures were approved but the Board hadn’t increased the budget by motion: 1.) to increase “Miscellaneous Promotion” budget by \$120.00 to account for the Shriners event, bringing the yearly budget to \$320.00; 2.) to increase “In-State Administrative Travel” budget by \$110.00 to account for the Farm Bureau Convention report attendance, bringing the yearly budget to \$410.00; and 3.) to set the “Operating Supplies” budget to \$211.00 to account for bank check order purchasing.

A motion made by Mack Brown and second by Robert Sharkey to change the “Miscellaneous Promotion” budget to \$320.00, the “In-State Administrative Travel” budget to \$410.00 and the “Operating Supplies” budget to \$211.00. The motion carried.

FY 2020 PROPOSED BUDGET

Mrs. Estay proposed keeping the FY 2020 budget the same as this year. She explained that the grant will be received again, and changes can be made if necessary. Robert Sharkey inquired if SUDIA needed to be removed.

A motion by Robert Sharkey and second by John Ingraffia to approve the FY 2020 operating budget, but drop The Dairy Alliance, put Dairy Max at \$75,000.00 and retain the rest of the budget as is. The motion carried.

GARRISON ADVERTISING REPORT

Gerald Garrison of Garrison Advertising gave a recap of the year's advertising, providing each member with a handout of the presentation. He updated board members on ongoing campaign activities including LSU Dads & Daughters and LSU Baseball Junior Announcer. He presented the 2018/2019 campaign budget including t-shirts - \$15,750.00 budgeted, \$15,559.31 spent with a variance of (\$190.69); LSU Baseball Junior Announcer coordination - \$1,625.00 budgeted and spent; LSU Dads & Daughters coordination - \$1,625.00 budgeted and spent; graphic design, strategy, project management - \$4,500.00 budgeted and spent; and website and social media updates - \$1,500.00 budgeted, none spent with a variance of (\$1,500.00) for a total of \$25,000.00 budgeted, \$23,309.31 spent with a variance of (\$1,690.69).

Mr. Garrison presented the original 2019 dairy grant budget that included outdoor - \$20,000.00; creative services - \$3,000.00; and agency services - \$5,000.00 for a total of \$28,000.00. He presented the updated 2019 dairy grant budget including outdoor - \$20,000.00 budgeted and \$17,900.00 spent; agency and creative services - \$4,000.00 budgeted and \$3,875.00 spent; digital display ads - \$4,000.00 budgeted and spent; and promotional items and giveaways - \$2,000.00 budgeted and \$4,423.39 spent for a total of \$30,000.00 budgeted and \$30,198.39 spent (\$265.70 roll over from last grant, resulting in \$67.31 which will roll over for the next grant year).

Mr. Garrison discussed taking Lucy Anna to some of the events at LSU. Mrs. Estay elaborated on t-shirt sales. She stated that she did the website updates with help from others in the Department, which saved \$1,500.00 budgeted for website and social media updates, and also did Facebook posts. Mrs. Estay informed board members that Mr. Garrison did not bill the Board yet for \$300.00 because it was over the amount that had been approved in that budget category. She advised paying him since he did the work and \$1,500.00 was not utilized under the website budget. Mrs. Estay stated she told him to bill the Board and if the Board voted to increase his working budget she would submit it for payment.

A motion made by Robert Sharkey and second by Mack Brown to approve Garrison's working budget increase "Graphic Design" to \$4,800.00. The motion carried.

Mr. Garrison informed members that he used extra grant money to purchase more promotional items and giveaways. He also discussed the outdoor billboard locations and reviewed the costs and savings related to the billboards. Mrs. Sharkey inquired about making bumper stickers with the billboard design, and Mr. Garrison said that it could be included in the budget. Mr. Garrison discussed the digital ad data for shoppers who clicked on geauxdairy.com.

A motion made by John Ingraffia and second by Robert Sharkey to approve the Garrison Advertising report. The motion carried.

Mrs. Estay informed the Board of several proposals that were brought to her. She said that one is a two-page spread in the Saints program for \$6,000.00. She stated their deadline was soon and grant funds could be used as one of the activities, the Board was in agreement. Mrs. Estay stated that another proposal is associated with Special Olympics and is the New Orleans Mac and Cheese Festival. She explained that they have offered for the Board to be the main sponsor and participant for the kids' section and said the Board could take Lucy Anna there. Mrs. Estay stated that the event will take place at Armstrong Park on October 12 and will cost the Board \$5,000.00. Robert Sharkey said that he would like more information, and Mrs. Estay stated that she will get it.

Mrs. Estay informed the Board of another proposal for Tiger Rag. She explained that there are two options: 1.) \$17,420.00 that includes an opening billboard mention at the top of each hour (two per show); the Board's logo in all Tiger Rag Radio Show promotional print ads in Tiger Rag Magazine/Tiger Rag EXTRA; a half page ad in all twelve monthly editions of Tiger Rag EXTRA; two 30-second commercials in every Tiger Rag Radio Show; exclusive feature sponsorship of the Tiger Rag Radio "LSU Recruiting Report," and right of first refusal for the following year; and a no cost value added bonus on Louisiana Agriculture Radio Network and 2.) \$13,000.00 that includes everything in the first option except the ad in Tiger Rag EXTRA would be quarter page instead of half page and there would not be a no cost value added bonus. Mrs. Estay asked board members if they were interested in the proposals, and they said they were not.

DAIRY MAX REPORT

Jennifer Duhon of Dairy Max presented the Dairy Max report with updates on the following: school marketing; strategic approach; youth wellness strategy; territory snapshot; dairy optimization incremental impact; encouraging action and engagement; stakeholder conferences; Fuel Up to Play 60; FUTP 60 Saints update; FUTP 60 activities; school marketing focus; health and wellness; LA HW update; industry image and relations; upcoming events; and LA year-to-date income and expenses. Mrs. Duhon informed members that she included a copy of her presentation in their packets.

A motion made by Mack Brown and second by Robert Sharkey to approve the Dairy Max annual report. The motion carried.

OTHER BUSINESS

Mrs. Estay read a thank-you letter from Mr. Aubrey Posey of Progressive Agriculture Foundation for helping with their Ag Safety Day. She explained that the Board provided them with promotional and educational materials.

Mrs. Estay reminded board members about ethics training that must be completed by December. She also reminded them about their financial disclosures that were due in May and said that the paperwork was given to them at the March meeting.

Mrs. Estay stated that while she was at the Farm Bureau Convention, someone from the Farm Service Agency spoke about the MPP insurance and said the deadline is September.

Mrs. Estay informed board members about a press release regarding the tax exemption form and said they have to get their certification as a commercial farm by June 30. She explained that the new law goes into effect July 1. She asked that they spread the word.

PUBLIC COMMENT

Gary Cazaubon of Borden Dairy informed the Board of animal welfare concerns and said that evaluations of farms will be due again January 1. He explained that the National Milk Producers Federation originated this mandatory program for animal welfare. Mrs. Sharkey inquired if they will stand behind the farmer if an issue arises since it is mandatory. Mr. Cazaubon stated that, like anything else, the farmer is responsible for his or her dairy farm.

ADJOURNMENT

No further comments were made. A motion made by Matt Travis and second by John Ingraffia to adjourn. The motion carried.