

**SOUTH DAKOTA WHEAT COMMISSION MEETING**

**March 15, 2016**

**116 No. Euclid, Pierre, SD**

**Minutes**

**Present:**

Commissioners: Chet Edinger, SDWC  
Terry Hand, SDWC  
Clinton Vanneman, SDWC  
Leo Warrington, SDWC

Staff: Reid Christopherson, SDWC  
Carolyn Theobald, SDWC

Guests: Caren Assman, SDWI  
David Wright, SDSU Plant Science Department

**Call to Order:**

**Chairman Edinger called the meeting to order at 9:34 a.m.**

**Approval of Agenda:**

Addition to Agenda: Item IV. Staff Reports, SD Agricultural Foundation Update.

**Commissioner Warrington moved to approve agenda with addition, seconded by Commissioner Vanneman. Motion approved.**

**Approval of Minutes:**

**Commissioner Vanneman moved to approve November 30, 2015 Minutes, seconded by Commissioner Hand. Motion approved.**

**I. Financial Reports**

**A. November 2015, December 2015, January 2016 and February 2016 Financials**

Theobald presented November 2015, December 2015, January 2016 and February 2016 financials. Discussion took place.

**Commissioner Hand moved to approve the November 2015, December 2015, January 2016 and February 2016 financials, seconded by Commissioner Vanneman. Motion approved.**

**B. Fiscal Year 2016 Receipts, Expenditures and Cash Flow**

Discussion took place.

**C. Fiscal Year 2016 Budget Updates/Funding Requests**

Discussion took place.

**D. Multi-Year Payment Projects**

Discussion took place for the following potential early payment projects:

- National Association of Wheat Growers
- State Fair 4-H Building
- Rail Project
- SDSU Greenhouse

**II. Production Forecast**

**A. 2016 Production Estimates**

Discussion took place.

### **III. Organization Reports**

#### **A. SD Department of Agriculture**

Christopherson reported on the resignation of SD Department of Agriculture Secretary Lentsch. Discussion took place.

#### **B. South Dakota State University**

1. David Wright, SDSU, reported on the following items with discussion taking place:

- SDSU Greenhouse Construction and Funding
- SDSU Seedhouse Construction

2. Fiscal Year 2017 Research Proposals

Christopherson presented FY2017 Research Proposals from SDSU. Discussion took place.

**Commissioner Vanneman moved to pledge support to SDSU in the amount of \$448,000 for Fiscal Year 2017 proposals as per attached, seconded by Commissioner Hand. Motion approved.**

### **IV. Staff Reports**

#### **A. Caren Assman – Executive Director, SD Wheat, Inc.**

Assman reported on the following items with discussion taking place:

- SDWI Board of Directors Activities
- NAWG National Meeting and Commodity Classic
- 2016 Bake & Take Day
- Activities of Wheat Building and Equipment
- Ag Horizons and Agri-Business Sponsors
- Wheat Yield Contest

#### **B. Reid Christopherson – Executive Director, SDWC**

Christopherson reported on the following items with discussion taking place:

- Resignation of Commissioner Davis and Status of New Appointment
- 2015 Annual Report
- 2016 Variety Survey
- Spring Wheat Quality Initiative
- Upper Great Plains Transportation Institute
- SD Agricultural Foundation

### **V. Market Development**

#### **A. Rails to the Future**

Discussion took place.

#### **B. U.S. Wheat Associates**

Christopherson reported on the following items with discussion taking place:

- USW Winter Meeting Recap
- USW Summer Meeting Update
- Latin American Buyers Conference, Portland OR
- Possible Trade Team for 2016
- 2017 Overseas Trip

#### **C. National Association of Wheat Growers**

Discussion took place.

#### **D. Northern Crops Institute**

Christopherson reported on the following NCI Council Meeting dates with discussion taking place:

- March 22, 2016, Fargo, ND
- November 21-22, 2016, SDSU, Brookings, SD

**VI. Fiscal Year End 2017 Budget Development**

Theobald presented preliminary Fiscal Year 2017 Budget. Discussion took place.

**VII. Administrative Matters**

**A. Upcoming Events**

Discussion took place.

**B. Out of State Travel Approval**

- McFadden Symposium, April 17-20, 2016, San Antonio, TX – Christopherson (Approved BOD 11/17/2015)
- NCI Council, March 21-22, 2016, Fargo, ND – Chairman Edinger, Christopherson
- WQC Winter Wheat Tour, May 2-5, 2016, Manhattan, KS – Christopherson
- State Wheat Administrators, May 11-12, 2016, Denver, CO – Christopherson
- Wheat Foods Council, June 20-22, 2016, Denver, CO - Christopherson
- Latin American Buyers Conference, June 21-23, 2016, Portland, OR – Christopherson
- U.S. Wheat Summer Meeting, July 17-23, 2016, Fargo, ND – Chairman Edinger, Commissioner Hand, Commissioner Vanneman, Commissioner Warrington and Christopherson
- WQC Spring Wheat Tour, July 25-28, 2016, Fargo, ND – Christopherson

**Commissioner Vanneman moved to approve travel as presented, seconded by Commissioner Hand. Motion approved.**

**C. Commission Meeting Dates**

The next meeting is scheduled for April 12, 2016, 116 N Euclid, Pierre, SD.

**Note: David Wright, SDSU, departed at 2:15 p.m.**

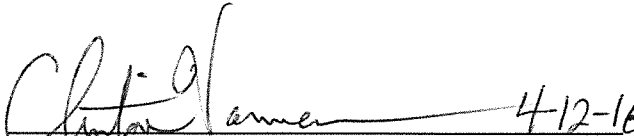
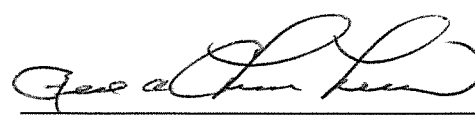
**VIII. Executive Session**

**Commissioner Warrington called for Executive Session pursuant to SDCL 1-25-2(3) for the purpose of Personnel Issues at 2:16 p.m., seconded by Commissioner Vanneman. Motion approved.**

**Commissioner Vanneman moved to end the Executive Session at 3:09 p.m., seconded by Commissioner Hand.**

**Commissioner Vanneman moved to increase Reid Christopherson’s Executive Annual Salary to \$78,500, seconded by Commissioner Hand. Motion approved.**

**Commissioner Vanneman moved to adjourn the meeting at 3:11 p.m. Meeting adjourned.**

	4/12-16		4/12/16
Clinton Vanneman, Commissioner	Date	Reid A. Christopherson, Executive Director	Date

*For the purpose of continuity, the minutes may not be in chronological order.*



April 6, 2016

Dr. Daniel Scholl, Director  
South Dakota Agricultural Experiment Station  
Box 2207  
South Dakota State University  
Brookings SD 57007

Dear Dr. Scholl:

The commissioners of the South Dakota Wheat Commission have completed an exceptionally difficult task of reviewing the 23 outstanding research proposals that were submitted by the researchers at South Dakota State University. The combined funding request for these proposals equaled \$1,005,026.00. Unfortunately several factors have combined to significantly limit the ability of the Commission to fully fund all of these deserving projects. These factors include:

- Research funding is awarded within the same fiscal year that it is collected.
- The fiscal year of the State of South Dakota necessitates the adoption of a budget prior to July 1<sup>st</sup> of each year – several weeks prior to the completion of harvest and knowledge of harvest realities.
- Decreased winter and spring wheat planting intentions (2.28 million acres) to the lowest level since 1979.
- Ever-decreasing wheat prices in response to factors that are beyond the control of producers and the Commission.
- This research funding is in addition to the \$700,000.00 commitment to the new Greenhouse (over five years), the Commission's ongoing support for Plant Science Department scholarships (\$5,000/year) and ongoing support for the McFadden programs.

Based upon these factors the commissioners have limited the initial research funding commitment for FY17 to \$448,000.00. It is also important to note that based upon conservative production/price forecasts it will be necessary to draw upon cash reserves to achieve this commitment. Many of the eight selected research projects will be funded at a level somewhat less than the initial request to allow the funds to be spread across as many projects as possible. The eight selected proposals are listed on page two of this letter.

It is important to note that the final budget decision will not be made until June 2016. Monthly payment installments will start in July 2016. Even though the final budget has not yet been adopted, the commissioners feel that it is critical to provide as much advance guidance as possible to allow researchers to initiate summer work plans and student employment commitments. Consequently the commissioners are pledging this funding support for the upcoming fiscal year.

116 N. EUCLID  
P.O. BOX 549  
PIERRE, SD

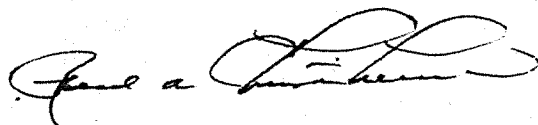
The eight research proposals selected for funding at this time, at the levels indicated, are listed below:

Tab	Project Leader	Title	FY17 \$
1	Ali	Upper Great Plains Wheat Pathology Collaboration	\$75,000
6	Strunk	Wheat Disease Research & Education	\$12,000
13	Krishnan	End-Use Wheat Innovation and Quality Evaluation of South Dakota Wheat	\$25,000
15	Glover	SW Breeding & Cultivar Development	\$140,000
16	Glover	Breeding SW for Disease Resistance	\$32,000
17	Kleinjan	WW & SW Variety Performance Testing	\$14,000
19	Sehgal	WW Breeding and Variety Development	\$120,000
20	Sehgal	Accelerated Breeding for Disease & Insect Pest Resistance in WW	\$30,000
	<b>TOTAL</b>		<b>\$448,000</b>

Although there is a common wish that more initial funding could have been pledged, the South Dakota Wheat Commission is pleased to provide this very important contribution of check-off investments on behalf of the participating South Dakota wheat producers.

Please feel free to contact me with questions or concerns at: reid@sdwheat.org, or (605) 222-3449.

Sincerely,



Reid A. Christopherson  
Executive Director