

**SOUTH DAKOTA WHEAT COMMISSION
Board of Directors Meeting
June 14 & 15, 2011
116 North Euclid, Pierre, South Dakota
Minutes**

Tuesday June 14, 2011

Present: Commissioners: Laird Larson, Chairman, SDWC
Darrell Davis, Commissioner, SDWC
Clint Vanneman, Commissioner, SDWC
Chet Edinger, Commissioner, SDWC
Steve Halverson, Commissioner, SDWC

Staff: Randy Englund, SDWC
Mary Ellen Wagner, SDWC
Carolyn Theobald, SDWC

Guests: Rick Vallery, SDWI
Julian Roseth (part of the meeting)

Call to Order:

Chairman Larson called the meeting to order at 11:42 a.m.

Approval of Agenda:

Moved by Commissioner Halverson, seconded by Commissioner Edinger.
Approved.

Approval of Minutes:

Correction to April 6, 2011 Minutes, Item VI. B, regarding travel approval.

Moved by Commissioner Davis, seconded by Commissioner Edinger. Approved.

Approval of Minutes for April 20, 2011 Conference Call.

Moved by Commissioner Vanneman, seconded by Commissioner Halverson.
Approved.

Financial Report:

Theobald presented April and May Financials.

Moved by Commissioner Davis, seconded by Commissioner Edinger. Approved.

I. Cash Flow Outlook and FY 12 Budget Considerations:

Reviewed end of Fiscal Year 2011 estimates for both revenue and expenses.

Reviewed estimated 2011 production as reported by the USDA National Agricultural Statistics Service on June 10, 2011. Consensus was to adjust Fiscal Year 2012 budgeted check-off receipts to \$1,578,488 (90% of estimated production).

II. FY2012 Program and Budget Development:

Reviewed SDSU Research Proposals for potential funding. Reviewed other research requests as presented.

Note: Julian Roseth, SDWI, arrival at 1:40 p.m.

South Dakota Wheat Inc. presented financial, membership and policy updates. Apprised Board of Ag Sales Tax Exemption summer study, redistricting voters based on census, Bayer Ducks Unlimited program and Governor's Ag Summit.

Executive Session called for at 3:08 p.m. for personnel matters. Upon request of Chairman Larson, Roseth, President of South Dakota Wheat Inc., remained in the session.

Executive Session ended at 3:51.

Reviewed current Memorandum of Agreement between South Dakota Wheat Commission and South Dakota Wheat Inc. Terminated agreement between South Dakota Wheat Commission and Rick Vallery, as these services will be provided with revised Memorandum of Agreement between South Dakota Wheat Commission and South Dakota Wheat Inc. in the amount of \$63,000 for FY12.

Discussed possibility of inviting some South Dakota Legislators to Northern Crops Institute (NCI) in September.

Note: Roseth departed at 4:30 p.m.

Note: Commissioner Vanneman departed at 4:30 p.m.

Reviewed all other potential agreements and other budgeted line items.

Commission meeting adjourned for the day at 6:05 p.m.

Wednesday, June 15, 2011

Commission meeting reconvened at 8:24 a.m. (All Commissioners present.)

II. FY2012 Program and Budget Development - continued

Reviewed other funding requests.

- SD Corn Utilization Council's Sioux Falls Pavilion Ag Gallery. The SDWC intention to commit \$100,000. With \$10,000 per year, beginning in Fiscal Year 2012, subject to the availability of funds on an annual basis.
Moved Commissioner Vanneman, seconded Commissioner Halverson. Approved.
- Wheat Foods Council (WFC) Special Project – Contingency funds may be used for potential WFC special projects when presented for consideration.
- Heartland Ag Network – The Board gave Englund direction to respond that the SDWC is interested but not ready to take action at this time.

Reviewed estimated refunds budget line item. Adjusted to 8% (prior years' average) of check-off receipts.

III. Finalize FY 12 Budget:

Fiscal Year 2012 budgeted receipts total \$1,608,488. Budgeted expenses and refunds total \$2,004,594.

Moved Commissioner Davis, seconded Commissioner Edinger. Approved.

IV. US Wheat Associates:

Summer Meeting will be in Tulsa, Oklahoma, July 16 through the 18, 2011. Discussion took place in regard to attendance at USW meetings. Fall USW meeting will be held in Scottsdale, Arizona, October 30 through November 3, 2011.

Note: Commissioner Halverson departed at 10:20 a.m.

Commissioner Larson and Commissioner Davis serve on the USW Board of Directors.

SDWC's Commissioners/staff have the following USW committee appointments:

- Audit – Commissioner Davis
- Budget – Commissioner Davis and Commissioner Larson
- Retirement Plan Administrative – Commissioner Davis
- Hard White Wheat – Commissioner Larson
- Food Aid – Wagner
- Sanitary/Phyto-Sanitary – Englund
- Joint International Trade Policy – Commissioner Davis
- Communications - Wagner

V. Other Business:

Discussion of Strategic Planning for SDWC, and to possibly include SDWI, took place. Commissioners and Englund shall locate at least two facilitators to choose from and present at the August board meeting.

Discussion took place in regards to a resolution to support South Dakota State University – SD Agricultural Experiment Station (SDAES). No action at this time.

VI. Commissioner and Staff Reports:

Rick Vallery – Items were covered in early discussions.

Carolyn Theobald – No further report than items presented with Financial Reporting; passed around Thank You notes received by the Commission.

Mary Ellen Wagner

- WFC has selected kinnaird+mangen as new public relations agency. Focus for the Public Relations program is "Influencing the Influencer."
- Attended WFC meeting in Boston. Dave Green has been selected as new Chairman. Website will be updated as "The place to go when you want to know."
- Attended the Grains Foundation's Marketing Committee meeting. The new programs for this group will be "Get set, Ready, Rise."
- MyPlate has replaced the MyPyramid for the new USDA's 2010 Dietary Guidelines for Americans.
- Will attend the National Festival of Breads in Wichita, Kansas. Will assist in baking demonstrations and presentations using wheat hand grinders.
- Will attend the International Food Aid and Development conference in Kansas. Working on the USW exhibit which will display six classes of wheat and the uses for each class.

Randy Englund

- Elected to President of the Value Added Board of Directors.
- Working with Strategic Planning and Budgeting.
- Will attend Bayer Ducks Unlimited program in Minot, North Dakota.
- Will attend Governor's Ag Conference and the Key Leader's Roundtable prior to the conference.

Commissioner Davis

- Plans to attend the Wheat Quality Council Spring Wheat Tour. Particularly interested in the portion of the tour that covers northern South Dakota.

Commissioner Edinger

- Has been elected to serve on the NCI Council. He replaces Commissioner Larson

who has served the maximum number of terms. Larson will continue on the search committee looking to replace NCI Director Brian Sorenson.

VII. Administrative Matters:

Election of Officers:

SDWC Board of Directors for the coming year:

- Chairman – Commissioner Chet Edinger
- Vice Chairman – Commissioner Steve Halverson
- Secretary – Commissioner Darrell Davis
- Treasurer – Commissioner Clinton Vanneman
- At Large – Commissioner Laird Larson

Moved Commissioner Davis, seconded Commissioner Vanneman.

Approved.

Director of US Wheat Associates (two year term).

- Commissioner Edinger to replace Commissioner Larson.

Moved Commissioner Davis, seconded Commissioner Vanneman.

Approved.

Travel Approval:

- National Festival of Breads and Food Aid Conference, Kansas - Wagner
- NCI, Fargo, ND – Commissioner Edinger and Commissioner Larson
- USW, Tulsa, OK – Englund, Wagner and Commissioners Davis, Larson, Vanneman and Edinger.
- Bayer Ducks Unlimited, Minot, ND - Englund

Moved Commissioner Vanneman, seconded Commissioner Edinger.

Approved.

Commission Meeting Dates:

- July – No Meeting
- August – To be held in conjunction with Dakotafest in Mitchell, SD. SDWC and SDWI will advise Board of time and location.

Governor's Ag Development Summit:

- Englund asked Commissioners interested in attend the Key Leader's Roundtable to let him know so he could forward the information to the Dept. of Agriculture.

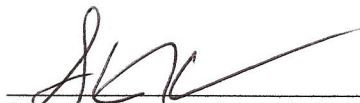
Other Administrative Matters:

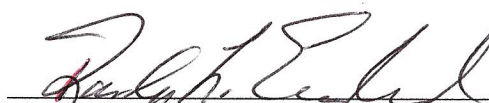
- SDSU is working on estimating the cost of a breeding program that would sustain and strengthen the present program. Chairman Larson will suggest an August 16, 2011 deadline for the report.
- SDSU Wheat Education Day will be July 28, 2011 from 9:00 a.m. to 12:30 p.m. at the Seed Technology Building. Brookings, SD.

Commissioner Edinger moved to adjourn, seconded by Commissioner Vanneman.

Approved.

Meeting adjourned at 11:44 p.m.


Steve Halverson, Commissioner 8/17/11 Date


Randy L. Englund, Executive Director Date