

LOUISIANA RICE PROMOTION BOARD  
Board of Directors Meeting  
Meeting Minutes  
LSU AgCenter Rice Research Station, Crowley, LA  
Wednesday, July 01, 2015

**Officers and Members Present:** Kevin Berken, Jeff Durand, Ronald Habetz, Jimmy Hoppe, Glendon Marceaux, John Owens, and Dr. Mike Strain.

**Officers and Members Not Present:** John Compton, Tommy Faulk and Christian Richard.

**Staff Present:** Nicole Broussard, Scott Privat

**Others Present:** Bob Cummings, Carrie Castille, Jim Guinn, Randy Jemison, Carol LeDoux, Steve Linscombe, Jennifer Marsh, and Todd Parker.

**I. Call to order, certification of a quorum, agenda review, approval of September 23, 2014 minutes with corrections and opening comments.**

Chairman Berken called the meeting to order at 12:40 p.m. and welcomed members and guests, including new board member, John Owen. Chairman Berken noted the passing of board member Wayne Zaunbrecher and dedicated the meeting to his memory.

Chairman Berken presented the agenda for consideration and recommended that Item II., Request for Commodity Assessment MOU with USDA be moved towards the end of the agenda to allow traveling guests to complete their reports in time to catch their afternoon flights.

**MOTION** by Jimmy Hoppe; **Second** by John Owens

To accept agenda with the change recommended by the chairman.

**MOTION CARRIED UNANIMOUSLY**

**MOTION** by Glendon Marceaux; **Second** by Ronald Habetz

To accept the September 23, 2014 minutes as amended

**MOTION CARRIED UNANIMOUSLY**

## **II. Louisiana Department of Agriculture Report**

Dr. Carrie Castille, LA Department of Agriculture, rendered the LDAF Report, including an update on assessments as of June 30, 2015. Chairman Berken thanked Commissioner Strain for not increasing collection charges.

## **III. LARPB Financial Reports**

Nicole Broussard, CPA with Broadhurst, Hamilton & Co., presented current financial report noting that assessments for the year ending June 30, 2015 totaled \$933,180 as compared to \$688,988.31 for the year ending June 25, 2014. Broussard noted that expenses for the year ending June 30, 2015 totaled \$932,704, which included payments to the USA Rice Council of \$838,000. Total Net Income was \$476. Mrs. Broussard provided the current financial report to members present.

Broussard also reported that the 2013/14 audit was a clean and that the 2014-15 audit would begin shortly.

**MOTION** BY Jeff Durand, **SECOND** by Jimmy Hoppe

To approve financials statements as rendered.

**MOTION CARRIED UNANIMOUSLY**

The Board then developed a 2014-2015 amended budget. (See Page 3)

LOUISIANA RICE PROMOTION BOARD  
DEPARTMENT OF AGRICULTURE  
STATE OF LOUISIANA  
GOVERNMENTAL FUND TYPE -- GENERAL FUND

AMENDED BUDGET OF REVENUES AND EXPENSES  
FOR THE YEAR ENDING JUNE 30, 2015

	<u>Original Budget</u>	<u>Actual at June 30, 2015</u>	<u>Amended Budget</u>
<b>REVENUES:</b>			
Assessments	\$ 616,000	\$ 933,180	\$ 933,180
<b>Total Assessments</b>	<b>\$ 616,000</b>	<b>\$ 933,180</b>	<b>\$ 933,180</b>
<b>EXPENSES:</b>			
Collection charges	\$ 12,000	\$ 12,000	\$ 12,000
Dues - U.S. Rice Producers	11,097	11,607	11,607
Miscellaneous	150	384	384
Professional services	6,450	6,450	6,450
Refunds	-	47,215	47,215
Rice promotion			
Ag Magic	1,000	1,000	1,000
Farm Bureau -- "This Week in LA AG"	5,000	5,000	5,000
LA Network	5,000	5,000	5,000
LA Rice Check Off Program Postage	-	725	725
National Rice Month	1,200	1,200	1,200
<b>Total Rice promotion</b>	<b>12,200</b>	<b>12,925</b>	<b>12,925</b>
Surety	137	123	123
Travel	4,000	4,000	4,000
U.S. Rice Council	569,966	838,000	838,000
<b>Total Expenses</b>	<b>\$ 616,000</b>	<b>\$ 932,704</b>	<b>\$ 932,704</b>
<b>EXCESS OF EXPENSES OVER REVENUES</b>	<b>\$ -</b>	<b>\$ 476</b>	<b>\$ 476</b>

APPROVED

  
\_\_\_\_\_  
CHAIRMAN OF THE BOARD

  
\_\_\_\_\_  
SECRETARY OF THE BOARD

**MOTION** by Jeff Durand; **Second** by Ronald Habetz

To accept the amended budget as developed by the board.

**MOTION CARRIED UNANIMOUSLY**

**IV. In-state, Board-Directed Promotion Projects Update**

Randy Jemison directed the members' attention to the in-state promotion report that was provided in their meeting packets. Jemison provided a status report with goals and accomplishments for all in-state projects, including AgMagic, Louisiana Farm Bureau TV cooking segment, the National Rice Month 5-K Rice Run and the Louisiana Radio Network National Rice Month Radio Campaign, He also recommended that all in-state projects be renewed.

**V. Funding Request Reports**

Chairman Berken directed member's attention to the written funding requests that were in their meeting packets and were provided to them prior to the meeting. He noted that two of the organizations requesting funding, USA Rice Federation and Louisiana Radio Network, were present to make oral reports and requests.

USA Rice Council

Bob Cummings and Jim Guinn with USA Rice Federation provided the USA Rice Council and Federation report.

Cummings reported on USA Rice accountability and transparency efforts, and presented current financial statements. He noted that the most recent financial audits were provided to the board prior to the meeting with the funding request and that the audit was clean. Cummings also presented the domestic promotion report, highlighting USA Rice's four pronged approach to increasing awareness and use of U.S.-grown rice. He also highlighted education efforts and the new marketing campaign called, "Think Rice".

Guinn reported on the status of international promotion efforts in key export markets, including Mexico, Central America, Colombia, the European Union, Iraq and China. He also reported on rice imports into the U. S.

Louisiana Network

Jennifer Marsh with Louisiana Radio Network reiterated the accomplishments of the September 2014 radio campaign listed by Jemison in his report. She then outlined

proposed plans for a September 2015 campaign noting two options, a 60-second commercial at a cost of \$5,000 and a 30-second commercial at a cost of \$4,950.

Marsh then made a second proposal for a promotion project called “The Louisiana Rice Report”. The program would air, on 20 stations in key agriculture parishes, a one minute report on information specifically prepared for Louisiana growers and consumers. A thirty-second commercial to promote the consumption of rice would run after each report. Additionally, every week, Louisiana Farm Bureau Agriculture Radio Network (LFBARN) will use promotional time to tell listeners about the Louisiana Rice Report and the LFBARN newsletter will run the latest rice news in the Thursday editions. Finally LFBARN will commit to 50 statewide thirty-second announcements in support of rice consumer outreach programs at no charge as part of this program. The cost of the proposed “Louisiana Rice Report” package would be \$475.00 per week for 13 weeks.

Following Marsh’s presentations Glendon Marceaux suggested that the board strive to distinguish Louisiana rice especially in the Cuba and Mexico markets and to stress the state’s capacity to service the rice export trade. Marceaux noted the new grain export facility being constructed at the Port of Lake Charles and indicated that highlighting it and other export facilities in the state to our export customers may be of benefit to Louisiana growers. Marceaux also suggested the board consider providing travel expense funding for board members to travel to export markets to promote Louisiana-grown rice.

The board’s legal counsel, Scott Privat, was asked if the board could expend funds for such board member travel. Mr. Privat scanned the statute and indicated that the board has discretion for spending the funds with no payments to members.

Dr. Mike Strain noted that the use of USDA’s Market Access Funds may be a better source of funding for such efforts

## **VI. Act on Funding Requests**

### Louisiana Radio Network

**MOTION** by Jeff Durand; **Second** by Jimmy Hoppe

To approve Option II of Louisiana Radio Network request for funding of September 2015 campaign with 30-second commercials at a cost of \$4,950.

**MOTION CARRIED UNANIMOUSLY**

**MOTION** by Jimmy Hoppe; **Second** by Dr. Mike Strain

To approve Louisiana Radio Network's request for funding the "Louisiana Rice Report" that would run for thirteen weeks at a cost \$6,175.

**MOTION CARRIED UNANIMOUSLY**

Louisiana Farm Bureau's This Week in Louisiana Agriculture (TWILA) Cooking Segment

**MOTION** by Jeff Durand; **Second** by Ronald Habetz

To approve Louisiana Farm Bureau's request for a \$5,000 sponsorship of the cooking segment on the TWILA TV program.

**MOTION CARRIED UNANIMOUSLY**

Louisiana Rice Run

**MOTION** by Glendon Marceaux; **Second** by John Owen

To approve Hathaway High School's request for a \$1,200 sponsorship of the Louisiana 5-K Rice Run held in September.

**MOTION CARRIED UNANIMOUSLY**

AgMagic

**MOTION** by Jimmy Hoppe; **Second** by Ronald Habetz

To approve LSU AgCenter's request for a \$1,000 sponsorship of the AgMagic.

**MOTION CARRIED UNANIMOUSLY**

USA Rice Council

**MOTION** by John Owen; **Second** by Jimmy Hoppe

To approve the USA Rice Council funding request, not to exceed \$2 million, and to authorize the Chairman and Secretary to renew the contract.

**MOTION CARRIED UNANIMOUSLY**

## **VII. Request for Commodity Assessment MOU With USDA**

Chairman Berken noted that prior to the recent revision of the rice promotion board statute, the board had a memorandum of understanding with USDA's Commodity Credit Corporation that facilitated the collection for rice promotion assessments for all rice put under loan with collections being made at the time the rice was placed under loan.

He noted that the MOU needed to be reinstated and directed members' attention to the resolution, prepared by Mr. Privat which was needed to execute the MOU. (See page 8)

## RESOLUTION

BE IT RESOLVED, that at the meeting of the Board of Directors of the Louisiana Rice Promotion Board held on July 1, 2015, that the Chairman of the Board, Kevin Berken, be and he is hereby authorized, empowered and directed to request that the its General Counsel, Scott Privat, request the Attorney General of the State of Louisiana issue an opinion as to whether an agreement confected in accordance with Federal Register Vol. 70, No. 170, and which is required to implement a memorandum of understanding that would facilitate the United States Department of Agriculture (USDA), acting on behalf of the Commodity Credit Corporation (CCC), that would facilitate USDA acting on behalf of the CCC to begin collection of the commodity assessments for 2015 and future crop years for all rice placed into the CCC loan program, and that such an agreement is in compliance with applicable Louisiana law and the provisions of Section 1(a) of Public Law 108-470; and

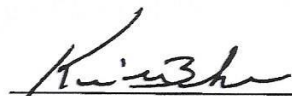
BE IT FURTHER RESOLVED that counsel request that the Attorney General of the State of Louisiana request the Governor of the State of Louisiana to make the necessary request supported by the Attorney General's statement that under the Laws of the State of Louisiana the Louisiana Rice Research Board is given the necessary authority to collect the assessment.

BE IT FURTHER RESOLVED, that the Chairman is further authorized, empowered and directed to do any and all things necessary to accomplish the above as he may deem fit and proper in his sole discretion.

## CERTIFICATE

I, Kevin Berken, do hereby certify that I am the duly elected Chairman of the Louisiana Rice Research Board, and that the above and forgoing resolution is a true and correct copy of the resolution adopted at a meeting of the Board of Directors at which a quorum was present and acting throughout and that the same has not been modified or rescinded.

THUS DONE AND SIGNED in Crowley, Acadia Parish, Louisiana this 1<sup>st</sup>, day of July, 2015

  
\_\_\_\_\_  
Kevin Berken  
Chairman, Louisiana Rice Promotion Board



**MOTION** by John Owen; **Second** by Glendon Marceaux

To adopt the resolution as presented by Mr. Privat.

**MOTION CARRIED UNANIMOUSLY**

**VIII. Act on Contracts**

Broadhurst Hamilton and Company

**MOTION** by John Owen; **Second** by Jeff Durand

To approve the contract with Broadhurst Hamilton and Company for professional accounting services for an increased annual fee of \$2,575.

**MOTION CARRIED UNANIMOUSLY**

Privat and Privat

**MOTION** by Jimmy Hoppe; **Second** by Ronald Habetz

To approve the contract with Privat and Privat for professional legal services for an annual fee of \$2,000.

**MOTION CARRIED UNANIMOUSLY**

USA Rice Producers' Group

**MOTION** by Jimmy Hoppe; **Second** by Jeff Durand

To approve the contract with USA Rice Producers' Group for state dues and travel expenses for a total of \$20,000.

**MOTION CARRIED UNANIMOUSLY**

**IX. Develop 2015-16 Budget**

Nicole Broussard provided members a budget development sheet and assisted the board in development of the following budget for 2015-16. The board based its proposed revenue on a projected yield of 6,500 pounds per acre on 440,000 acres. (See Page 10)

LOUISIANA RICE PROMOTION BOARD  
DEPARTMENT OF AGRICULTURE  
STATE OF LOUISIANA  
GOVERNMENTAL FUND TYPE -- GENERAL FUND

BUDGET OF REVENUES AND EXPENSES  
FOR THE YEAR ENDING JUNE 30, 2016

	Actual at June 30, 2015	Accepted Budget
<b>REVENUES:</b>		
Assessments	\$ 933,180	\$ 858,000
<b>Total Assessments</b>	<b>\$ 933,180</b>	<b>\$ 858,000</b>
<b>EXPENSES:</b>		
Collection charges	\$ 12,000	\$ 12,000
Dues - U.S. Rice Producers	11,607	12,000
Miscellaneous	384	500
Professional services	6,450	7,000
Refunds	47,215	60,000
Rice promotion		
Ag Magic	1,000	1,000
Farm Bureau -- "This Week in LA AG"	5,000	5,000
LA Network	5,000	11,175
LA Rice Check Off Program Postage	725	-
National Rice Month	1,200	1,200
<b>Total Rice promotion</b>	<b>12,925</b>	<b>18,375</b>
Surety	123	123
Travel	4,000	4,000
U.S. Rice Council	838,000	744,002
<b>Total Expenses</b>	<b>\$ 932,704</b>	<b>\$ 858,000</b>
<b>EXCESS OF EXPENSES OVER REVENUES</b>	<b>\$ 476</b>	<b>\$ -</b>

APPROVED

  
\_\_\_\_\_  
CHAIRMAN OF THE BOARD

  
\_\_\_\_\_  
SECRETARY OF THE BOARD

**MOTION** by Jimmy Hoppe; **Second** by Ronald Habetz

To approve the 2015-16 Budget as developed by the board.

**MOTION CARRIED UNANIMOUSLY**

**X. Election of Officers**

Appointment of Education Liaison on Ethics

**MOTION** by Ronald Habetz; **Second** by Jimmy Hoppe

To reappoint Scott Privat as the board's Education Liaison on Ethics.

**MOTION CARRIED UNANIMOUSLY**

Appointment of LARPB Representative to Louisiana Rice Producers' Group

**MOTION** by John Owen; **Second** by Dr. Mike Strain

To reappoint Christian Richard as the board's representative to Louisiana Rice Producers' Group.

**MOTION CARRIED UNANIMOUSLY**

Election of Officers

**MOTION** by Jimmy Hoppe; **Second** by John Owen

To reelect the current slate of officers including Kevin Berken as chairman, Christian Richard as vice chairman and Tommy Faulk as secretary/treasurer.

**MOTION CARRIED UNANIMOUSLY**

Chairman Berken noted that a replacement to fill Mr. Wayne Zaunbrecher's seat on the board through 2018 would be appointed in the coming months through nominations to the governor by the Louisiana Farm Bureau Rice Advisory Committee.

**XI. Public Comments**

Chairman Berken called for public comments. None were offered

**XII. Adjournment**

**MOTION** by Glendon Marceaux; **Second** by John Owen

To adjourn the meeting.

**MOTION CARRIED UNANIMOUSLY**

Meeting at was adjourned at 3:06 p.m. CDT.