

**IDAHO BARLEY COMMISSION
MEETING MINUTES
MARCH 4, 2011, BOISE, ID**

I. Roll Call – Chairman Ron Elkin called the IBC meeting to order at 12:50 p.m. on Friday, March 4, 2011 at the IBC office in Boise, Idaho. **Attendees included:**

Ron Elkin, Chairman
Tim Dillin, District I Commissioner
Dwight Little, District III Commissioner
Clay Kaasa, Industry Representative
Kelly Olson, Administrator

Guests included: Clark Kauffman, IGPA President, by telephone; Dar Olberding, IGPA lobbyist; Dr. Juliet Marshall, University of Idaho cereal agronomist and pathologist, Idaho Falls; Dr. Mike Bonman, ARS Aberdeen Research Leader, by telephone; Dr. Erick Jackson, ARS Aberdeen; Dr. Bob Brunick, MillerCoors breeder, Burley; ISDA Director Celia Gould, Boise; and Dennis Brower, Idaho Farm Bureau Federation, Pocatello.

II. Status report on ARS barley breeder position

Dr. Mike Bonman, ARS Aberdeen Research Leader, joined the IBC meeting by conference call at 1:20 p.m. to report on the status of ARS efforts to refill the now vacant barley/oat breeder position at the National Small Grains Germplasm Research Facility in Aberdeen, ID. Dr. Bonman reported that he had prepared paperwork to refill the position and it had been approved by the ARS regional office in Albany, CA. The national headquarters office in Beltsville, MD, also has signed off on this as a priority hire, but funding for the remainder of FY 2011 still needs to be sorted out by Congress. Dr. Bonman reported on the extensive amount of experimental germplasm that is under development including winter malting barley, spring malting barley and food barleys that show excellent promise. He noted that spring nurseries would be cut back in 2011 to Aberdeen, Filer and Tetonia only - eliminating Soda Springs, Fenn and Potlatch – in order to consolidate operations and avoid mistakes while the breeder position remains unfilled.

III. Report on Institute for Barley and Malt Sciences

Clark Kauffman, IGPA President, joined the IBC meeting by telephone at 1:30 p.m. to discuss the conference call of the advisory board of the Institute of Barley and Malt Sciences (IBMS) held on February 22. Clark reported that North Dakota Barley Council has recommended that the IBMS broaden its funding support beyond its current dependence on the North Dakota Barley Council. Clark indicated that he did not feel that the IBMS programs which are focused primarily on barley grower education in North Dakota and Montana directly benefit Idaho producers but he felt that the commission might want to consider some token level of financial support to maintain its advisory seat. The Administrator reported that the grower education being sponsored by IBMS was similar to our University of Idaho winter cereal schools and IBC-sponsored risk management education programs so there was no need for duplication in Idaho. Dr. Juliet Marshall noted that IBMS had received annual funding of \$50,000 through the Barley for Rural Development special research grant shared between Montana State University and University of Idaho. After considerable discussion, it was decided that the issue of IBMS funding would be reviewed at the annual budget meeting in June.

IV. Idaho Grain Producers Association Legislative Report

IGPA lobbyist Dar Olberding provided a report on several bills pending in the Idaho Legislature, including:

- Right to farm – provision requiring that plaintiff pays attorney fees in cases brought against agricultural producers has been withdrawn due to opposition but other provisions

strengthening Idaho's nuisance act are moving ahead. Dar indicated that the attorney fees provision will be looked at again next year.

- Amendment to current law exempting movement of farm equipment from farm to equipment dealer from restrictions; current law allows movement from farm to farm only, not other destinations.
- Covered load truck bill excludes agriculture.
- Fish and Game authority to regulate ATVs on public land during hunting season (Dar indicates these bills likely will die).
- Dyed fuel bill would tax fuel upfront and then require producers to apply for refunds for off-road use (Dar reports bill was officially pulled back on March 10).
- Residue burning – rule change for straw burning on small acreage will likely be pushed back to 2013 because EPA needs more time to amend the State (Air Quality) Implementation Plan.

V. IBC Meeting Minutes

The minutes from the IBC's December 2, 2010 meeting were reviewed. **A motion was made by Commissioner Tim Dillin, and seconded, to approve the minutes for the December 2, 2010 IBC meeting as presented. The motion carried 4-0.**

VI. IBC Budget Report

Monthly check-off receipts, balance sheet and income statements -- The Administrator reviewed budget reports as of March 3, 2011, showing check-off receipts totaling \$241,116.95, which are \$1,479.24 lower than for the same period last year. The Administrator reviewed the IBC's balance sheet and income statement, showing assets at \$522,963.01; total income to date is \$246,443.34, which is 66.8% of the budgeted amount for the year; and expenses are \$287,684.92, which is 61.7% of the budgeted amount. The Administration reported there were no line item expenditures that were above the approved budget. **A motion was made by Industry Representative Clay Kaasa, and seconded, to approve the IBC financial report as presented. The motion carried 4-0.**

VII. IBC Administration

2011 acreage estimates – The board reviewed confidential information on 2011 malting barley contracts and other general information on projected acreage. Industry Representative Clay Kaasa distributed recent ***Modern Brewery Age*** articles on the state of the domestic brewing industry, which will play a considerable factor in determining malting barley demand in the new crop year.

Approval of hosted meals – The Administrator reviewed five hosted meals during the period December 2, 2010 through February 14, 2011, totaling \$434.45. **A motion was made by Commissioner Tim Dillin, and seconded, to approve the five hosted meals totaling \$434.45. The motion carried 4-0.**

2011 Leadership Idaho Agriculture – The Administrator reported on the conclusion and graduation of the LIA Class 31, which included Derek Reed from Idaho Falls, who was sponsored by IBC, IGPA and IWC. Derek was one of four classmates selected by his peers to give a speech during the Ag Summit leadership breakfast on Feb. 15. Commissioner Little and the Administrator attended this breakfast event and the Administrator joined Derek for his graduation on Feb. 17.

Travel Authorizations – The Administrator reviewed four out-of-state travel authorizations:

- April 5-7 – Commissioner Dwight Little and one other person if available to travel to Fargo, ND, to participate in the Barley Biotech Conference sponsored by North Dakota State University.
- April 14-15 – Commissioner Tim Dillin and the Administrator to travel to Portland, OR, to participate in the National Barley Foods Forum and meet with barley exporters.
- June 5-8 – The Administrator to travel to Corvallis, OR, to participate in the North American Barley Researchers Workshop.
- July 25-27 – Industry Representative Clay Kaasa to travel to San Francisco, CA, to participate in the US Grains Council summer board meeting (along with Commissioner Ron Elkin).

A motion was made by Commissioner Dwight Little, and seconded, to approve the four travel authorizations as presented. The motion carried 4-0.

VIII. IBC Preliminary Research Funding for FY 2012

The board deviated from their meeting agenda in order to consider FY 2012 research funding requests presented by University of Idaho scientists during the annual research review conducted earlier in the day. After thorough discussion of each request, **a motion was made by Industry Representative Clay Kaasa, and seconded, to approve preliminary FY 2012 funding in the total amount of \$46,737 for the following University of Idaho barley research projects:**

- **Annual operations of the Tetonia research farm - \$15,000**
- **Support for Northern Idaho Support Scientist - \$5,040**
- **Winter Malt Barley Tolerance to Define and Axiom Herbicides for grassy weed control - \$15,765**
- **Education for Barley Production / Extension Nurseries - \$10,932**

The motion carried 3-0.

IX. IBC Program Review

National Barley Improvement Committee report / federal research funding – Commissioner Tim Dillin and the Administrator briefly reviewed the upcoming NBIC trip to Washington, D.C. to meet with ARS and members of Congress on federal agricultural research appropriations and the importance of maintaining public funding for barley research because of the lack of private research investments. The Administrator noted that the continuing resolution passed by the House of Representatives (H.R. 1) to fund the federal government for the remainder of FY 2011 would cut ARS funding by \$185 million and USDA National Institute of Food and Agriculture by \$217.1 million, which could have serious impacts on federal barley research, including the ARS programs at Aberdeen, ID. In light of the Republican ban on ear-mark funding, NBIC will not pursue funding for the two special research projects that have benefitted barley in previous years, including the Barley for Rural Development research project at Montana State University and University of Idaho and barley genome mapping. NBIC's goal will be to maintain ag research funding at FY 2010 levels. The NBIC visit is scheduled March 5-9 and Commissioner Tim Dillin will participate on behalf of Idaho.

U.S. Grains Council report – Chairman Ron Elkin reported on his and the Administrator's participation in the USGC Winter Board Meeting and International Marketing Conference held Feb. 5-9 in New Orleans. Ron participates as a member of the Rest of the World Action Team and reported on interesting animal feeding initiatives in the Middle East, particularly Egypt. Ron also reported that he and the Administrator hosted Chris Corry, senior international director, for dinner to discuss our concerns and interests in the Council's efforts to promote barley and malt in Central and South America. This was followed up with a conference call arranged by the Administrator between Great Western Malting Company and USGC staff Kurt Shultz (Panama City) on February 17.

National Barley Growers Association report – Commissioner Dwight Little reported on the NPGA winter board meeting held Feb. 16-18, 2011 in Washington, D.C. Dwight reported on the topics discussed and the resolutions approved by the board, including opposition to farm bill funding reductions that are not equitable to other federal budget cuts, support for maintaining federal agricultural research funding at FY 2010 levels, support for maintaining funding for Market Access Program at \$200 million annually and the Foreign Market Development Program at \$34.5 million annually. Dwight also noted that due to declining production which drives the dues structure of the association we will be looking at an assessment increase in FY 2012. The summer board meeting is likely to take place in Montana at the request of the outgoing President Dave Henderson from Cut Bank, MT. Scott Brown, Soda Springs, is in line to become president of NPGA in July 2011.

Trade Policy – The Administrator noted that the IBC had signed on to an Ag Trade Coalition letter sent to President Obama on support for moving legislation to enact the Colombia and Panama free trade agreements which appear to be languishing. The Administration recently signaled it was preparing to send up implementation legislation for the South Korea FTA but there was no apparent movement on the Colombia FTA, which provides benefits to U.S. barley and malt exports.

Barley crop insurance developments – The Administrator reported on the successful outcome of the IBC's efforts to improve the feed barley price guarantee calculation for 2011 spring barley insurance. Based on the intensive efforts of the IBC, AMBA and the two Risk Management Agency regional offices in Spokane and Billings, we were successful in changing the conversion factor from .854 to .919, which is applied to the average of the daily closing price of the CBOT Sept. 2011 corn futures contract traded during the month of February. **This resulted in a feed barley price guarantee of \$5.93/bu in 2011, which is a gain of \$.45/bu from the old calculation method.** We will conduct a second webinar/workshop on barley crop insurance on March 9 to continue our efforts to educate growers on barley crop insurance options.

Risk management grower education – The Administrator quickly reported on recently completed and upcoming risk management educational programs:

UPCOMING WEBINARS

- **March 8 WEBINAR with Grain Futures Broker Carley Garner**
- **March 9 combination live workshop/webinar in Idaho Falls (Bonneville Co. Extension Office) and webinar on barley crop insurance with USDA Risk Management Agency**

COMPLETED WEBINARS

- **Feb. 11 at 8:30 a.m. MST on 2011 Barley Crop Insurance Changes and New Options** – presented by Mark Andreasen, Mountain States Insurance Group, Soda Springs, ID at <https://connect.cals.uidaho.edu/p46809837> – 32 attendees
- **Jan. 27 WEBINAR on Optimizing Fertility in Malting Barley and Hard Red Spring Wheat** presented by Dr. Brad Brown, UI extension soil fertility and crop management specialist, Parma ID at <https://connect.cals.uidaho.edu/38298986/> - 41 attendees
- **Jan. 18 WEBINAR on Financing Farm Equipment** presented by Iowa State University ag economist Dr. William Edwards at <https://connect.cals.uidaho.edu/p40664490/> In addition, Idaho producers will have free access to **Iowa State University's Ag Decision Maker website** which contains several excellent Farm Machinery Financing Analyzers at www.extension.iastate.edu/aqdm - 36 attendees
- **Nov. 10 WEBINAR on Understanding Technical Trends in Grain Futures / Current Grain Market Outlook** presented by Craig Corbett, Grace, ID at <https://connect.cals.uidaho.edu/p38164240/> - 46 attendees

- **Sept. 14 WEBINAR on World Grain Market Outlook & 2011 Malt Contract Pricing Strategies** presented by Kelly Olson, Boise, ID at <https://connect.cals.uidaho.edu/p97241148/> (NO LONGER IN ARCHIVE) – 54 attendees

LIVE WORKSHOPS

Understanding technical trends in grain futures & strategies for improving your net malting barley/wheat contract price in 2011

- **Dec. 16** at 8:30 a.m. at the Meridian Center, **Blackfoot** – 14 attendees
- **Dec. 16** at 1:30 p.m. at the Rexburg Chamber of Commerce, **Rexburg** – 25 attendees
- **Jan. 5** at 9:00 a.m. at Minidoka County Extension office, **Rupert** – 26 attendees
- **Jan. 6** at 9:00 a.m. at Mud Lake Senior Center, **Mud Lake** – 11 attendees
- **Jan. 6** at 2:00 pm at Butte Business Incubator Center, **Arco** – 11 attendees

Idaho Grain Producers Association report – In the absence of IGPA representatives due to their attendance at the Commodity Classic, the Administrator distributed copies of slides on IGPA activities in Idaho and NBGA that Travis Jones presented to the IGPA Full Board meeting in Boise on February 25.

IBC Strategic Initiatives - Due to a lack of time, the Administrator only briefly highlighted a few recent developments and achievements under our four strategic initiatives on winter barley, malting barley for export, food barley and feed barley for fish feed. A more thorough written report was provided to commissioners.

A final motion was made by Commissioner Dwight Little, and seconded, to approve all acts and transactions of the March 4, 2011 IBC meeting. The motion carried 4-0.

With no other business, the IBC meeting was adjourned by Chairman Ron Elkin at 5:02 p.m .

Ron Elkin, Chairman

Date

**IBC MEETING
MARCH 4, 2011
MOTIONS PASSED**

1. A motion was made by Commissioner Tim Dillin, and seconded, to approve the minutes for the December 2, 2010 IBC meeting as presented. The motion carried 4-0.
2. A motion was made by Industry Representative Clay Kaasa, and seconded, to approve the IBC financial report as presented. The motion carried 4-0.
3. A motion was made by Commissioner Tim Dillin, and seconded, to approve the five hosted meals totaling \$434.45. The motion carried 4-0.
4. A motion was made by Commissioner Dwight Little, and seconded, to approve the four travel authorizations as presented. The motion carried 4-0.
5. A motion was made by Industry Representative Clay Kaasa, and seconded, to approve preliminary FY 2012 funding in the total amount of \$46,737 for the following University of Idaho barley research projects:
 - Annual operations of the Tetonia research farm - \$15,000
 - Support for Northern Idaho Support Scientist - \$5,040
 - Winter Malt Barley Tolerance to Define and Axiom Herbicides for grassy weed control - \$15,765
 - Education for Barley Production / Extension Nurseries - \$10,932The motion carried 3-0.
6. A final motion was made by Commissioner Dwight Little, and seconded, to approve all acts and transactions of the March 4, 2011 IBC meeting. The motion carried 4-0.