

Minutes

**Producer Committee
Conference Call Meeting**

June 25, 2020 9:00 a.m.
Milk Control Bureau Office
1404 8th Avenue, Helena, Montana

Conference Call Access:

Call-in Number: 1-646-558-8656
Conference ID: 932 7783 6873

Call to Order

Committee Chair David Miller called the meeting to order at 9:03 a.m.

Attendance

Committee Member	Present	Absent
David Miller (Chair)	X	
Sam Hofer (Vice-Chair)	X	
Dan Daugherty		X
Tim Huls		X
Nelson Kamerman		X
Mark Kleinsasser	X	
John Waldner	X	

Montana Department of Livestock Staff:

Chad Lee, Bureau Chief, Milk Control Bureau

Guests: none

Approval of Minutes from March 31, 2020 Meeting

Sam Hofer moved, and Mark Kleinsasser seconded the motion to approve the minutes of the March 31, 2020 meeting as presented. The motion carried. All members present voted in favor.

New Business

Quota Transfer Requests:

Milford Colony requested to transfer 6,397 lbs/day of milk quota to Golden Valley Colony, which will apply beginning July 1, 2020.

Mark Kleinsasser moved, and John Waldner seconded a motion to approve the transfer request. All members present voted in favor.

Other New Business

The committee discussed the vacancy that will occur with Tim Huls becoming ineligible to serve on the committee in July. The bureau will need to send out committee applications and the Board of Milk Control will need to make an appointment. The vacancy will be filled by a producer who

delivers to the Darigold – Bozeman plant, but will be open to any eligible producer if the bureau does not receive applications from any Darigold affiliated producers.

The committee also discussed the Dean Foods Bankruptcy. Mr. Lee reported that the Dean Foods Estate still owes over \$40,000 for the pool settlement fund, milk control assessments, for milk inspection assessments, and assessments related to April 2020 audit adjustments.

Dairy Farmers of America (DFA) purchased Dean Foods' Meadow Gold plants in Billings and Great Falls, and that business is operating under the name of Dean Dairy, LLC. The committee discussed this development and the change in marketing surplus milk by which the Great Falls plant is marketing surplus milk through DFA. John Waldner noted that DFA may have an interest in the proposed cheese plant near Great Falls.

Sam Hofer stated that DFA offers the ability to forward contract milk to producers and asked if the Montana regulations allow for forward contracting, which is a means for producers to hedge market risk. Mr. Lee responded that the Montana administrative rules do not prevent pool handlers from paying more than the minimum price but prohibit pool handlers from paying less than the minimum price. The committee discussed that it may be useful to have DFA speak to the Board of Milk Control about how forward contracting would work and identify any federal regulations that allow for it to occur within federally regulated markets to help guide rulemaking proposals in Montana, if rulemaking is necessary. Mr. Lee expressed that the Board of Milk Control would be interested in learning about the forward contracting DFA is offering and would likely be supportive of means to manage market risk, particularly if producer participation is voluntary.

Producer Committee member were reminded to send it their milk control license renewal forms by July 1, if they have not already submitted them.

David Miller requested that the bureau send a letter to Tim Huls thanking him for his many years of service to the Producer Committee and the Montana dairy industry.

Public Comment

None.

Adjournment

Sam Hofer moved, and Mark Kleinsasser seconded the motion to adjourn the meeting. All members present voted in favor.

The meeting adjourned at 9:26 a.m.



_____, Producer Committee Chair

Date: 9-3-2020