



# THE INSIDER

Quarterly Newsletter for Members of Minnesota Milk • Also available online at MnMilk.org • January 2018

Dairy  
Management

Special thanks to our Diamond Sponsors:



## W I N T E R   W O R K S H O P S

### Perham, Minn. • Tuesday, January 23, 2018 (with Midwest Dairy)

10:00 a.m. to 2:30 p.m.

- “Are you making as much as your Neighbor” – Keith Olander, AgCentric
- “Are you at the Table?” – Midwest Dairy Districts 3 and 4 Update
- “Dairy Forage Research Update” – M. Scott Wells, University of Minnesota

### Sauk Centre, Minn. • Wednesday, January 24, 2018 (with The Recycling Association of Minnesota)

9:00 a.m. Depart for tour of Bueckers/Waste Management Ag Plastic Baling Facility (optional)

10:00 a.m. to 3:00 p.m.

- “Dairy Forage Research Update” – M. Scott Wells, University of Minnesota
- “Why Recycle Farm Plastics” – Lois Levitan, Cornell University
- “Revolution Plastic Dumpster and Recapture Bags” – Price Murphy, Revolution Plastics
- “Really Revolutionary Results of the Minnesota Ag Plastic Recycling Program”

### Pipestone, Minn. • Thursday, January 25, 2018 (with Midwest Dairy)

10:00 a.m. to 2:30 p.m.

- “What We Have Learned about Safety” – Kevin Wulf, Riverview LLP
- “Are you at the Table?” – Midwest Dairy District 18 Update
- “Dairy Forage Research Update” – M. Scott Wells, University of Minnesota

### Rochester, Minn. • Tuesday, February 6, 2018

9:30 a.m. to 2:30 p.m.

- “Veterinary Perspectives on the Role of Bedding Management in Mastitis Prevention” – Featuring Sandra Godden, University of Minnesota
- “Federal Policy Outlook” – John Holevoet, Edge Cooperative
- “Forage Research Update” – M. Scott Wells, University of Minnesota
- “Dairy Economics Outlook” – Marin Bozic, University of Minnesota

### Hutchinson, Minn. • Friday, February 16, 2018 (with Midwest Dairy)

10:00 a.m. to 2:30 p.m.

- “Dairy Forage Research Update” – M. Scott Wells, University of Minnesota
- “Are you at the Table?” – Midwest Dairy Districts 12 and 13 Update
- “Dairy Economics Outlook” – Marin Bozic, University of Minnesota



**REGISTER:**  
PLEASE RSVP for a workshop  
by calling 763-355-9697 or online at  
<http://www.mnmilk.org/events/>



## Minnesota Milk's 2017-2018 Board of Directors

### Front (L to R):

Shelly DePestel, Kristine Spadgenske, Marianne Peterson, Cassie Monger, Tom Sedgeman.

### Back (L to R):

Dave Buck, Garrett Luthens, Pat Lunemann, Rick Smith, Rod Schultz, Bob Dombek, Michael White.

### Not Pictured:

Aaron Vogt, Kindra Carlson

All Directors and their contact information are published at MnMilk.org. Please contact them anytime to learn more about your association and how we're working to advance the success of Minnesota dairy farms.



Minnesota Milk Producers Association  
MnMilk.org • (877) 577-0741

### Lucas Sjostrom

Executive Director

lucas@mnmilk.org

### Shannon Seifert

Membership Director

shannon@mnmilk.org

### Jenna Davis

Education Director

jenna@mnmilk.org

### Alyssa Olson

Events & Projects Director

alyssa@mnmilk.org

### Brittney Arnold

Program Assistant

brittney@mnmilk.org

## Schulze, Vogt Elected to Minnesota Milk Board of Directors

During the Minnesota Milk annual business meeting, Rod Schulze, Holland, and Aaron Vogt, Sauk Centre, were newly elected to serve a three-year term on the board. Schulze represents District 9, which consists of 15 counties in southwestern Minnesota. Vogt serves as an at-large representative.

Marianne Peterson, Pine City, and Rick Smith, Adams, were both re-elected to their positions representing Districts 2 and 11, respectively. Peterson begins her fourth term representing 14 northeastern counties. Smith begins his third term, representing Fillmore, Houston, Mower, and Winona Counties.

New resolutions were presented and passed unanimously regarding the environment, transportation, Farm Bill, and water stewardship by the delegate body. See page 6 for an additional resolution on Farm Bill policy that was added from the floor.

Updates and changes to the bylaws of Minnesota Milk were also passed unanimously. Additionally, a motion from the floor passed to increase per

diems for directors from \$150 to \$250.

During the board of directors' reorganization meeting, all officers were reelected to their positions: Dave Buck, President, Goodhue; Shelly DePestel, Vice President, Lewiston; Marianne Peterson, Pine City, Secretary; and Kristine Spadgenske, Menahga, Treasurer. Other returning directors are Bob Dombek, Perham; Pat Lunemann, Clarissa; Cassie Monger, Foley; Kindra Carlson, Pennock; Tom Sedgeman, Sauk Centre; Garrett Luthens, Hutchinson; and Michael White, Pine Island. Roger Peters, Tyler, and Craig Roerick, Swanville, both retired from the board this year.

Also during the board meeting, the board added a fourth committee to increase input from producer and associate membership. Minnesota Milk will reorganize in 2018 to hold Education, Events, Policy and Membership Communications committees. If you are interested in serving, please contact a member of the Minnesota Milk board of directors.

## Minnesota Milk Conference and Expo Traveled to Treasure Island

After much anticipation, the 2017 Minnesota Milk Dairy Conference and Expo moved to Treasure Island for its 14th annual event. Over 500 people attended the two-day event. This year, we integrated both the expo and conference portion in one main room for a unique atmosphere.

On Tuesday, the event started with our annual business meeting, board of director elections, resolution adoptions and bylaw changes. Following the meeting, V.J. Smith captured the audience's attention with his story of unquestionable kindness and compassion from Marty—the Walmart

cashier. The phrase "Thank you" means so much more after listening to Smith's compelling story.

Policy was also discussed as Minnesota Milk lobbyist, Darn McBeth, and Legislators Senator Mike Goggin (R-Red Wing), Senator Rich Draheim (R-Madison Lake) and Representative Gene Pelowski, Jr., (D-Winona), discussed the top issues for 2018. Jaime Castenada of the National Milk Producers Federation shared his insights on Dairy Trade.

Tom Erdmann spoke on biotechnology and Monica Cruz Zorilla explained



*Speaker, V.J. Smith shares his inspirational message to kickoff the Minnesota Milk Dairy Conference and Expo.*



*Attendees listen as President Dave Buck welcomes all to the awards banquet.*



*Networking and meeting old and new friends continues to be an important aspect to the Minnesota Milk Dairy Conference and Expo.*

**(Minnesota Milk Conference continued)**

resources available from the Mexican Consulate of St. Paul. Spanish sessions were provided to about 10 attendees by Castaneda, Cruz Zorilla, and Jorge Delgado of Elanco.

After our speakers wrapped up day one, networking and socialization continued into the evening with our annual awards banquet and scholarship auction. More than \$8,000 was raised for our scholarship fund through the auction, cheese grab bags, and Wall of Wine. The night ended in hospitality suites hosted by Elanco, Boehringer Ingelheim, and Doda USA.

Wednesday morning kicked off with breakfast followed by Wes Jamison's intriguing presentation on "Relating to a Public who doesn't Relate to You". Dr. Marin Bozic also provided an update on the latest in dairy economics, as well as policy and risk management. Drs. Dan Undersander, Brad Heins, Gerard Cramer, Les Hansen and Laura Hernandez wrapped up the day. Resources for Beginning Farmers were available through speakers Ryan Roles, Ted Matthews, Callyn Bedker, Nate Converse, Bernie Quist and John Grape.

Wednesday Evening's inaugural bowling tournament filled 16 lanes with teams competing for highest (and lowest) score. We appreciate all those who attended and sponsored our 2017 Minnesota Milk Dairy Conference and Expo, and are gathering feedback to make next year even a greater success.

## Groetch Dairy named Producer of the Year

Steve and Lisa Groetsch of Groetsch Dairy in Albany were named Minnesota Milk's 2017 Producer of the Year. The honor was bestowed during the Minnesota Milk Dairy Conference and Expo in Red Wing. The Groetsches were selected on the basis of their involvement and commitment to the future of the dairy industry.

Steve and Lisa Groetsch began dairy farming together after they were married in 1989. Starting with 40 cows in a stall barn, they always had an eye to the future and making improvements to the dairy to benefit their farm, their cows and their family.

"Investing in our facilities and adding new technologies makes Steve and I more efficient, helps keep our cows more comfortable and keeps the farm up-to-date in case one of the children chooses to come back to the farm in the future," says Lisa. In 2011, Steve and Lisa invested in robotic milking machines which allows cows to eat, lie down, drink and get milked whenever they want. "My definition of modern dairy farming is using technology to simplify our manual tasks," Lisa adds.

The couple's three children – Jennifer, Matthew and Katelyn – grew up working closely with their parents on the farm. "Our dairy wouldn't be our dairy without our children," said Lisa. "Doing what we do every day is even more fun when they are all home and we are all working together."

The Groetsch family is also active in the community and welcomes tours of their farm. They hosted the Stearns County Breakfast on the Farm in June 2013, opening their farm to nearly 3,000 visitors, and regularly host tours for groups of all ages from kindergarten classes to nursing home residents.



**Steve & Lisa Groetsch of Groetsch Dairy, 2017 Producer of the Year**





**Lobbyist Daryn McBeth,  
Gray, Plant, Mooty**

## 2018 Session begins February 20

*By Daryn McBeth, Gray Plant Mooty*

Most people agreed that with the late start date (February 20), divided government (GOP controls legislature, DFL controls governor's office), the final year of Governor Dayton's final term, and the fact that 2018 is an election year, that the 2018 session would be relatively boring with very little getting accomplished. While very little may, in fact, be accomplished – which can be a good thing – I can assure you the 2018 session will not be boring.

The legislature's operating budget is still in limbo after the Minnesota Supreme Court issued a final order affirming the constitutionality of Governor Dayton's line-item veto of the House and Senate's \$130 million in biennial funding. Unlike the lower court, the Supreme Court failed to weigh in on a remedy to the vetoed funding, meaning that the repeal of the funding remains enforced until a new law is passed – and signed by the governor – restoring it.

Since there has been no talk of a special session, the legislature will have to depend on reserve funds from 2017 to pay staff and other expenses until legislative business begins in late February 2018. Current indications are that the legislature can survive and continue to pay its staff and other obligations just barely into February.

The gesture from Governor Dayton may also signal he hasn't given up yet on some of the objections he had at the end of the 2017 contained in the global budget deal. These included limiting the statewide business property tax and Minnesota's estate tax, alternative teacher licensure, and a prohibition on issuance of drivers licenses for undocumented immigrants. Fortunately, all parties agree on not reopening other tax changes including the beginning farmer tax credit and the agriculture property tax reduction (paid from the General Fund) on 40% of the value of school levies.

The state budget forecast was released

on Tuesday, December 5th, and it showed the State is facing a deficit of \$188 million if the economy and lower tax revenue collections stay on track through February 2018. This was the first forecasted deficit Governor Dayton has faced in his eight years in office.

When the State Economist and Management and Budget office declare a budget deficit, the legislature and governor must arrive at a compromise to bring the \$46 billion dollar state budget within balance through a supplemental budget bill. However, a new budget forecast will be released in February around the time the legislature convenes, so leaders will have additional information at that time before proposing cuts in spending or new revenues to balance the budget. Stay tuned and rest assured that a \$188 million dollar deficit or even \$318 million (when one includes the vetoed legislative funding) represents only about 0.05 percent of the overall budget and would be fairly easy to reconcile.

With Senator Franken's resignation, Lt. Governor Tina Smith filled the open seat on January 3, starting another constitutional debate in our state. The state constitution orders the President of the Senate, currently Michelle Fischbach (R-Paynesville) to immediately fill any vacancy. And while the constitution prohibits any elected or appointed official from holding most other offices, there is also precedent that the Lt. Governor can hold two positions at once. This is further complicated by the constitution being changed so that the Lt. Governor has no official duties since that precedent was established.

If Fischbach is ordered to take the position, she has said she would resign immediately and then again run for her Senate seat in an effort to uphold the Republicans 34-33 majority in the Senate.

The 2018 session may not see much accomplished, but it certainly won't be boring!

## Minnesota Milk Outlines Legislative Priorities for 2018

With a short session in 2018, Minnesota Milk will be working to continue with many of the positive changes we made through law in the past few years, and also set ourselves up for success in future legislative sessions. Of course, if the opportunity arises, we will be ready to move fast on a number of fronts.

**Dairy Infrastructure** – Last session saw three major wins for dairy infrastructure as Senator Westrom (R-Elbow Lake) and others worked to increase incentives for value added agricultural processing, and Senator Goggin (R-Red Wing) and Representative Drazkowski (R-Mazeppa) introduced legislation to help smaller milk trucks get around. Further, Senator Newman (R-Hutchinson), Representative Urdahl (R-Litchfield) and the bonding committees allowed the city of Litchfield to finally be allocated funds for backup power generation that will allow First District Association to continue expansion. Minnesota Milk will work to continue to find wins for dairy and surrounding communities that improve

our road and bridge infrastructure, allow plants to expand easier, and incentivize dairy plants to be built in Minnesota.

**Water Quality** – Minnesota Milk worked in 2016-2017 as part of a five-member steering committee with 18 other agricultural commodity organizations and for-profit companies that deal with fertilizer, manure, and water to forge an agreement with the Department of Agriculture and Governor Dayton to be more proactive on water quality. While the result did make it into legislation to begin formation of a board of directors that could use already available funds to help farmers experiment and allocate resources to water quality, unfortunately the Department of Agriculture has not yet hired a person to fill the position. In 2018, we will push the Department to fill the position and work with legislators to identify already available funding to help create projects.

**Environmental Review Regulation** – In cooperation with the Minnesota Dairy

Growth Alliance, Minnesota Milk is identifying areas where dairy farmers believe state and federal agencies are overstepping official rules or statutes with regulatory drift (see page 6) and will bring these concerns to legislators. Also, Executive Director Lucas Sjostrom is finishing his 12 month term appointed by Governor Dayton to the Environmental Quality Board's Environmental Review Advisory Panel in an effort to streamline environmental review. Since Environmental Review was created in Minnesota, many new permits, laws, and common practices have been instituted and this panel will provide a report to the legislature on their findings of inefficiency.

**Other initiatives** – Minnesota Milk will also work to sustain and enhance agriculture research and teaching funding, incentives for beginning dairy farmers, and move forward the University of Minnesota Dairy Research, Teaching and Consumer Education Authority to set it up for 2020 bonding.

## Westrom named 2017 Minnesota Milk Legislator of the Year

Minnesota Milk's 2017 Legislator of the Year, Senator Torrey Westrom, was given the honor during Minnesota Milk's Dairy Conference and Expo November 28, 2017, at Treasure Island Resort and Casino.

Westrom has three children, is married, and graduated with a degree from Bemidji State University, and later from William Mitchell College of Law. He served on the federal Ticket to Work task force under President George W. Bush from 2002 to 2006. Torrey was also inducted into the National Wrestling Hall of Fame in 2012.

Back in his youth, he was the man on the hayrack, throwing bales of hay and straw for his dad.

Lately, Westrom has been the man doing the work for dairy farmers. Last year, he heard Minnesota Milk's plead for processing capacity support and

provided through value-added incentives, infrastructure in the city of Litchfield, and help with small milk trucks – all three bills passed and were signed by Governor Mark Dayton.

Senator Westrom has always been an advocate for agriculture, and kept the work ethic of someone born on a farm. In his first years in the legislature, elected at age 23, he ran a forage baling and rental property business, while attending law school at night. And he has done all this while being legally blind since age 14 due to a farm truck rollover accident.

During his time in the legislature, he's served as vice chair of the Agriculture Policy and Transportation Policy Committees, Energy Committee Chair, and House Civil Law Committee Chair in the House. In the Senate, where he's represented District 12 since 2012, Torrey

serves as Chair of the Agriculture, Rural Development, and Housing Finance Committee.



*Senator Torrey Westrom  
(R) District 12*

## Kjome Awarded Minnesota Milk's Cottington Award

The Minnesota Milk board of directors chose David Kjome, Rochester, Minn., as the 2017 Bruce Cottington Friend of Dairy Award winner.

Kjome has been to Ecuador, Columbia, Brazil, Australia and New Zealand judging dairy cattle, and judged World Dairy Expo three times. His ability to educate and inspire dairy youth and their parents brought him from 4-H agent, American Guernsey Association fieldman, and sire analyst for Tri-State Breeders in Iowa to Minnesota. He came to Minnesota as an agricultural loan officer with First Northwestern Bank of Winona. In 1970, he started helping dairyman through University of Minnesota Extension in Olmsted county for 30 years. Congressman Gil Gutnecht also relied on Kjome for dairy insight.

His first recognition was when he joined the Iowa State University Judging team and word got around that he "was a good talker."

In 1981, he worked with University of Minnesota faculty to execute a demonstration project with 21 farms known as the Olmsted County Mastitis Demonstration project, which became a model for other counties to follow.

Kjome's other awards also include high individual in the Jersey breed at the National Intercollegiate Dairy Cattle Judging Contest, Rochester's Chamber of Commerce AgriPerson of the Year in 1983, and induction into the Minnesota Livestock Hall of Fame in 1994. He was named a National Dairy Shrine Pioneer in 2016.



*David Kjome,  
2017 Bruce Cottington  
Award.*

## Join us for Dairy Day at the Capitol

**WHEN:** Wednesday, April 18, 2018

**WHERE:** Minnesota State Capitol

**WHY:** Your story matters. Your voice matters. The most effective way to express your opinions on dairy-related policy and share dairy farmer initiatives is to meet face-to-face with your legislators.



Save the  
Date



# Strategic Planning Directs 2018 Work

By Lucas Sjostrom, Executive Director

Happy New Year! We are now into the 40th year of Minnesota Milk, and will celebrate our 40th Birthday at this year's annual meeting.



As we begin another year working on your behalf, we are reminded by the documents that guide us to Advance the Success of Minnesota Dairy Farms. This year, three major documents guide us: Bylaws, Resolutions, and our 2017 Strategic Planning process.

Your board decided to revisit our bylaws for the first time since 2012 after a year of talking about the size and scope of our districts. As we look for members of nominating committees and those committees look for potential directors, some districts had hundreds of options while others had just a few dozen or less. With retirements, lack of time, and lack of interest from some of our members, it was often hard to find willing and qualified candidates to fill these important roles. So I am proud of our membership for approving bylaw changes that will allow your board to objectively look at the size of our board and 11 districts, focusing on the number of farms in the area and with those results intended to be shared at next year's annual meeting.

Our resolutions also drive much of our work and are revisited each year. The resolutions are debated by the Policy Committee and Minnesota Milk Board, and then presented to membership at the annual meeting. Those found in

the last issue of the Insider (and online at [MNMilk.org/Resolutions](http://MNMilk.org/Resolutions)) passed unanimously, with one addition from the floor to encourage leaders to improve the Margin Protection Program by reinstating the original feed adjuster.

Finally, with a new Board President and new Executive Director in 2017, we decided to undergo a strategic planning process that involved 7 staff members, 14 board members, and our 25 additional committee members made up of Producer and Associate Members. Through surveys, in-person facilitation, and a two-day board retreat, our five-year goals to tackle in 2018 are to:

1. *Make committee and board meetings more effective.*
2. *Develop and implement a plan to increase membership by 40 new farms and 15 new associate members per year.*
3. *Develop and implement a robust multi-platform plan to improve communications effectiveness with all MN Dairy Farms and industry.*
4. *Develop a plan to expand our educational programs.*

The board also evaluated our contract with Midwest Dairy Association as they do every year. We will display full results of that feedback and performance in next month's issue.

Thank you for your membership, I hope to see you at one of our Dairy Management Workshops or Dairy Day at the Capitol! In the meantime, call or email us if there is something we can do to help your business succeed.

A handwritten signature in black ink that reads "Lucas Sjostrom".

Lucas Sjostrom



**Lucas Sjostrom**  
Executive Director

## Issues with state or federal regulatory agencies?

If you or a neighbor have had issues or misunderstandings with state or federal regulatory agencies, please contact us. On behalf of the Minnesota Dairy Growth Alliance, Minnesota Milk is compiling a list of enforcement questions to discuss with state agencies regarding rules that may be questionably being enforced. We will take this final list to any agencies mentioned. Please respond with a description of what is being asked of you, by which agency, and what you assume the actual rule, guidance, or statute to be. Email us at [mmpa@mnmilk.org](mailto:mmpa@mnmilk.org) or call 763-355-9697.



Minnesota Milk Producers Association  
108 Marty Drive, Suite 2 | Buffalo, MN 55313  
(763) 355-9697 | mmpa@MnMilk.org  
MnMilk.org

## Inside this Issue

- Annual Business Meeting
- Minnesota Milk Dairy Conference and Expo Recap
- MN Milk Award Winners
- Legislative Update
- 2018 Legislative Priorities
- Strategic Planning Guides Future

## Congratulations to Our 2017 Scholarship Recipients!



**Colton Carlson**

Parents: Carl Carlson and Leah Kreps

South Dakota State University  
Dairy Production, Ag Business and Spanish



**Luke Groos**

Parents: Sean and Linda Groos

South Dakota State University  
Agriculture Science



**Jessica Kerfeld**

Parents: Tim and Carrie Kerfeld

South Dakota State University  
Dairy and Animal Science



**Kirby Krogstad**

Parents: Dean and Lora Allen

South Dakota State University  
Dairy Production and Agricultural Business



**Calissa Lubben**

Parents: Cal and Char Lubben

South Dakota State University  
Dairy Production and Agricultural Business



**Ashley Maus**

Parents: Darrel and Lisa Maus

South Dakota State University  
Dairy Production and German



**Tanner Morrison**

Parents: Jay and Barb Morrison

University of Minnesota  
Ag Industries and Business major,  
Animal Science minor



**Isabella Portner**

Parents: Tom and Mary Portner

Iowa State University  
Dairy Science



**Quinci Scherber**

Parents: John & Staci Scherber

University of Wisconsin - River Falls  
Dairy Science Management



**Andrew Wilwerding**

Parents: James Wilwerding and Sarah Overby

South Dakota State University  
Dairy Production

*The generosity of our members, along with funds raised during the Minnesota Milk Dairy Conference and Expo, has allowed Minnesota Milk to award more than \$10,000 in scholarships this year to students within the dairy community.*