

Minutes of the Milk Sanitation Board

Wednesday April 13, 2011

The meeting of the Milk Sanitation Board was called to order at 10:00 A.M. on April 13, 2011 in the Bromfield Building of the Ohio Dept. of Agriculture officiated by Mr. Roger Tedrick, Acting Chief of the Dairy Division. The following board members were present at roll call:

Mr. William (Chuck) Ellis	Mr. William Riley
Mr. Thomas Fleming	Mr. Tim Shipley
Mr. Chad Hollon	Mr. Gene Phillips
Mr. Amos Miller	Mr. Rocky Volpp

All Board Members present.

Others in attendance: Frank Danalewich, OSU/FIC; Ron Geiser, DFA; Carl Schroeder, National Farmers Organization; Kristin Mullins, MDFA, Sandy Kuhn, Ohio Farm Bureau Federation; and Bill Hopper, Jon Johns, David Mengel, Brian Wise and Bonita Cordi of the Ohio Dept. of Agriculture. Also, Assistant Director, Fred Shimp, filling in for the Director, James Zehringer, who was scheduled to attend, regrettably he is attending the death of his family-friend in Fort Recovery, Ohio.

Approval of Minutes; Approval of the last meetings minutes; Minutes sent Via Email. Motion to accept last meetings Meeting's Minutes. Approved by, Tom Fleming, Seconded by, Rocky Volpp. Moved to accept Minutes, all in favor.

Director Zehringer and Other (Department and Division) Personnel changes:

This is the first meeting after the new (ODA) Administration change. Many items on the Agenda; Bonita came from Meat Inspection, Diane retired, Roger has taken over as Acting Chief as of the 1st of this (new) year. Update on Livestock Standards Care Board and work being done, the new Administrations efforts keying in on Agri-business, address jobs, increase business, short update on the Label Rule by Mr. Hopper. ODA budgets and discuss where the Dairy Division stands. National conference on inter-state milk shipment is coming up, discussion on the proposals. Jon Johns prepared a Grade-A Survey Unit Power Point Presentation on the BTU's, Single Service and hot issues, scores, and marks. Plant issues will be discussed by Mr. Mengel, will talk about the "Steiner" issues and what happened, where we are and our (Dairy's) thoughts. Mr. Wise will discuss Farm issues; Raw Milk, things that Fred Shimp would like to discuss, then a public comment period.

In January the Director had an opportunity to met w/Roger & other Dairy Staff and expressed what is very critical as the "first line of defense" as for Consumer confidence in the Dairy industry and his appreciation in how the Dairy Division is able provide great advise in consultation and in-put from Dairy producers, council and other representatives.

Dealing w/ a challenging budget overall, emphasizing the core mission, and the importance of having healthy plants and animals for people to eat. Some programs in the past that ODA has not been able to keep, but the critical core mission is Food Safety. The Governor put his budget on the table a couple of weeks ago, the Director testified in front of the "House" regarding the resources needed to sustain that, (Food Safety). After signed by the House, the budget will have to go through the Senate, they'll bounce back and forth and ultimately the budget must be balanced. Ahead there will be some tough discussions. They feel good that we'll have the resources to keep the goal of healthy, safe food. Getting the budget squared has been priority one since the new Administration came on board.

Mr. Tedrick: Transition the reduction in other Divisions, in particular:

(Division of) Weights & Measures, (W&M)

Asst. Dir. Shimp informed the Board that the Director is the State Sealer, so he certifies all the measuring devices, and wants to make sure that a gallon is a gallon and a pound is a pound. Fred was really shocked to learn that the Weights & Measures Division was barely functioning. 2 years ago it was a Million dollar program that ran two labs that test all the equipment with field staff that go on the road with the larger scales and equipment. All the trucks were parked with a skeleton staff doing just a few tests. The division's last budget was GRF, (General Revenue Fund), based with a total fees based program, but during the budget process the legislature nixed the fees and did not bring back the GRF, so this program went from a 1.1 to 1.2 Million dollar down to \$200,000, just like that with no plan B. So everything was parked, there wasn't anything being done for the industry folks, both county auditors, all the weights & measures folks, county, municipal and local level, all their equipment is measured at ODA, against our Weights & Measures Lab. The Administration realizes how critical it is to get Weights & Measures back up and running. Consumer confidence in food safety and also on the measurement side that people believe that a pound is a pound or a gallon is a gallon. So we went to work on it and made an appeal to the Governor and got an infusion of some new GRF dollars into the W&M program. And combined with some new modest fees, on some of the large scales, if we are successful to keep the new GRF with keeping the fees past, generally we'll be back up to where we were before these budget cuts came in. So we won't be running a Cadillac program, more like a well tuned Chevy. We'll do what we have to do, and make sure that those measurement devices are tested and accurate. This is critical that people have to know that from a commerce standpoint in the truth and accuracy. We are cautiously optimistic, and of course it impacts the Dairy Industry quite a bit.

Mr. Tedrick: asks a question to Ron Gieser, DFA; Do you still prove some of your calibration pails?
Mr. Gieser: Yes, I think we had over a year waiting list just to get in down here, so we took them out of state.

Asst. Dir. Shimp replied, that's the effect of what people have to do. It's not that we don't look at what you have as a priority we just don't even test them. But if everything stays on budget, on time and starting this summer, when the governor signs the budget the end of June, then we would get directly as many new \$ as we revenue then starting July, August, by late summer, early fall, if things go well, we would get ramped up to where our traditional customers expect us to be from the service standpoint. The total Department took about a 9% cut in our General Revenue Funds. Which again, means that we're not able to do everything that we did before, but what is key to is our division's that focus on animal health, and food safety that they remain intact. We sacrificed some other programs to make sure they remain intact.

Dairy Division Budget Update:

Mr. Tedrick announced the Dairy Division is looking at a 6.5% cut, on GRF that results in about \$75,000.00. We're looking to make that up with 2 earlier retirements. One was Lewis; his salary won't be part of that. Couple of other things; 1) Push back on purchasing cars and try to make due. Our projected industry Fund balance is about \$170,000.00 at the end of this quarter. We are in the last quarter, April, May and June. As in past years, we always looked at a (budget of) \$250,000.00, in this particular fund. We did dip into some funds that lowered it, purchases for salt testers, and re-circulator heater blocks used in Pasteurization testing. The equipment we have is over 20 years old that needed

replaced. We need good equipment in our guy's hands that do what we consider to be critical functions when linked to pasteurization. And the Dairy Division is a little over 2.8 million dollar operation, w/the new budget, presently we are billing the industry approximately \$135,000.00 a month. And with new License fees, (minimum of \$25.00), pump money in that equals \$1500.00 per month. The Dairy Division is taking in approximately \$136,500 to \$137,000 monthly, encompassing with 3 more months of invoices that ends in July, which is when the new budget really starts when it passes the house and senate.

Asst. Director Shimp added the Governor has not asked for new or increased fees from the Dairy Industry, very leery to ask folks to pay more out of pocket. Testimony that Roger's Division runs a tight ship and that pays dividends. We do have to be prepared to tighten our budgets. The two year budget will be checked monthly, every chief is aware of this and we may need to take cuts where necessary.

Mr. Ellis. asks what percentage does the \$135,000 represent?

Mr. Tedrick: approximately 63%. When ever we loose GRF we loose ability to spend the industry (funds), that's the down side.

Mr. Hollon: Can we change that? (Do we) need too?

Mr. Tedrick: That is in our law, and yes, we probable could, but it would be a law change.

Ohio Means Agribusiness:

Mr. Tedrick pointed out that you'll see this logo statement on Web site, letterhead and other (Agricultural publicity) materials. Dairy staff has seen a real concern in the dairy world as far as production, and manufacturing. Deputy Director, Rocky Black, and Janelle Mead, Agri-Business Liaison came to us wanting to partner, asking who's expanding, asks what's new, we want to go out and help industry address the issues and hurtles they face.

Asst. Director Shimp added that we want to emphasize that we want to be an advocate for people on the private sector who are trying to prosper, make payroll, and need help with issues. We want to be in a position to be helpful and be an advocate, help tackling the State bureaucracy. We really want to be helpful in any way.

Mr. Mengel reported that he set up meetings and visited two Dairy Plants in the Cleveland area, presenting Rocky Black and Janelle Mead. One plant was Micelis which has an aggressive expansion program, the second was Pierre's Ice Cream owned by Ms. Shelly Roth

Update on Label Rule: Presented by Mr. Bill Hopper, Chief Legal Council Legal Section. No change since the last update. The rule was approved at the district court level, the 6th circuit made a couple of rulings and remanded the case back to the district court for litigation, not able to discuss at this point and will provide you with any new decisions on this matter or any updates.

2011 NCIMS Conference, Baltimore, MD.:

Mr. Tedrick mentioned that every two years the Grade-A portion of the Dairy Industry has their conference to make changes to issues in pasteurization. This year Brian Wise and Roger Tedrick are attending. Proposals come from Industry, Academia, the Food and Drug Administration and States. One particular issue concerns the lowering of the SCC to 400,000. There are 2 proposals one from

National Milk Producers Federation, the second is from National Mastitis Council, similarly they both want to go to a regulatory legal limit of 400,000. Each state will have a vote and we should support the increase in standards and in improving the quality of milk.

Mr. Brian Wise: answers, we would adopt a PMO when it would go into affect, but in turn it would lower our manufacturer grade limit counts to 650,000. It currently states that its 250,000 greater than the Grade-A standard. This will drop from 1 million down to 650,000. This could be a rule change with bigger ramification on the manufacturer Grade side lowering that cell count that far then you would on the Grade-A side.

Mr. Ellis commented that, (Processors) are seeing the forces like Costco and the European Union pushing for the lowering of SCC. When marketing cheese and whey for the export market and they will be asking for verification that the whey is proven to come from milk that is below than 400,000. The standard for the European Union criteria is 400,000, many manufacturers are compliant with the State rules, but may not meet the standards of the European Market. If these E.U. standards can not be reached, what does a manufacturer do with the milk? In the past producers organizations normally were against lowering this limit standard, but there seems to be more interest in lowering the counts.

Mr. Gieser mentioned that DFA does a lot of exporting. On the business end, we are already getting phone calls from processors whose whey or cream will be for the export market. They are asking us that when this rule comes into affect, have we certified the milk supply going into that plant?

Mr. Tedrick told the Board that we were able to meet with Matt Pitts, FDA Milk Specialist, and go over most of these proposals with us. The FDA that has the "Veto Pen", we could pass something, they could it veto. They're willing to consider the 400,000, the problem is they don't like the way either one (of these proposals) are worded.

Mr. Tedrick: adds, averaging causes two issues; one is timing since samples are not reported until at the end of the month, the second is the cost involved.

Mr. Wise: The State Labs are able to handle new information since the data is entered into an electronic file transfer. Our computer system can handle the data, its no big deal. We could install an internal software change that would get geometric mean, an average over the last 3 months. The other side will be the expense to our staff, as you lower that means to 400,000, the procurement of samples, there will be a lot more sampling, and shipping of samples, and the lab work involved. Initially it will take a year or two when we get everyone gets transitioned to that 400,000 level, it will cost the Department.

Mr. Hollon asks what percentage of the milk would you say is over 400,000?

Mr. Geiser replies, "I'm not sure what it is in the market place, I can tell you what ours is, I think it's around 238,000, when we break it down, related to the lbs of milk in the market; it is a very small portion. I don't want to discriminate; some of these are usually, not always only w/small producers/farms, on the same token, there are a lot of good small farms out there."

Mr. Ellis questions the possibility that it may require on-site veterinary care that small farms can't afford to have?

Mr. Hollon added that a lot of older small farms are not up to speed with the rest of the industry.

Mr. Wise mentioned that last fall we looked at some numbers. We just do a straight number; whatever your cell count, that's what it is. An average turned out to be around 18-19% of producers had a cell count that was in excess 400,000. That's just one count at some point in the year.

And not to say that the farm would have been on a warning or on suspension, just at some point in the year they were above 400,000. They will make the transition, it will just take time.

Mr. Fleming asked if Manufacture Grade shut off are due to somatic cell or bacteria?

Mr. Wise answered mostly for somatic Cell, you'll get a few for bacteria, but when we strengthened the bacteria requirements, we went through this board to change that, it helped stop some of repeat violators. If there are 5-10 cows on a small farm, one fresh cow with mastitis can get the cell counts up.

Mr. Ellis commented that there has been a change from years past as producer's organizations are more in support of the 400,000 cell count simply because our customers base is demanding it. If you look at our program, we've been pro-better milk quality for a while. We've probably got one of the most rigorous milk quality production programs, and higher quality (milk), than anyone out there. We just need to promote the quality.

Mr. Ellis points out that there are producers who are licensed Grade-A, in compliance with a Grand-A quality standards and facilities, and in some cases are contracted to market their Milk, but because they are in that group from 400,000 and 750,000, and the contractors' organization does not want to take them into that market. So they are Grade-A licensed but they don't have a Grade-A market, and they're asking me so where are they? I've had a couple of situations like this and I feel that there will be more. The Grade-A markets producer who may be right outside of Newark Ohio, whose market is in Newark, but he's running 400,000-500,000 where does he go with his milk? He's licensed by the State, meets all of the requirements, but his market won't take it. I think the same thing may show up on the Manufacture grade, and I don't know where its' headed. I just know this producer is in a pretty bad spot. He could not take his milk to Pearl Valley cheese because he's in a contract w/an organization to market through them, but they did not want it. And they're not going to let him out. So where does he go? It's really an unfair situation for this farmer to be in, he signed this contract 20, maybe 30 years ago to market milk with that organization, he's in compliance, and they won't honor the contract. I'm not sure where we go with this but this has left some farmers in a bad situation.

Mr. Gieser talked about DFA having a rigorous production quality plan, when a producer gets in that predicament, we put them on an Action Plan, if they fail to meet the criteria of the action plan, we have released them from their marketing agreements or contracts, while keeping their Grade A licensed from the State.

Mr. Tedrick talked about the upcoming IMS Conference and a proposal from the International Milk Haulers Association. The proposal calls for milk trucks shall be washed every time they go into a plant. No releasing it for a second load.

In addition there are other proposals concerning milk plant technical issues, UV plant lights, and pasteurization tests.

Mr. Hollon added that there are many different washing systems, some require special spray balls, and some states do not have these special parts and/or don't approve what others are using.

Mr. Tedrick mentioned that there are issues with hauling multiple loads in the same 24 hour day. The next milk receiving facility may not have full information on that wash ticket. When a truck leaves your facility, you're putting your stamp that says this truck was properly washed and sanitized and protecting the rest of the industry. We are working on addressing this issue by rule. Hopefully by next Milk Sanitation Board meeting we will have one to discuss.

2010 Survey Section presentation:

State Rating Officer Jon Johns presented an update on survey activities specifically the year 2010

He pointed out that Charles Twining and he performed the following types of ratings during 2009-2010:

175 ratings in the State of Ohio
114 BTU's, (51 Single [service] Farms)
26 Plants, (6 transfer stations)
33 Single Service, (26 SS are inspected annually)

Mr. Johns provided percentages on specific violations. Greatest number of violations occurred in the following areas: barn cleaning, general cleaning, capping, over all cleanliness, floors, etc. Plant violations would be referred to Roger, Farm violations would be referred to Brian. Roger has also has us doing HACCP with ice cream plants, and we only do this if we have time. We inspected five Ice Cream Plants relative to our HACCP Rating audit, four performed by Mr. Twining, and one conducted by Mr. Johns.

Check Ratings; Mr. Matt Pitts performs these (preferably) every 3, or 4 years, inspecting the plants and BTU's on a similar schedule. Last year he conducted 9 federal check ratings, which is half as many as Charles & I, last year we did 25 farm BTU's, Mr. Pitts did 13; 6 BTU's, 2 of are single farms, 3 plants. Two BTU's failed, one was a "de-listed", on a farm check rating of 84.4 – 80%, they are recommended to be re-surveyed w/in the next 60 days. If they are below 79.4% or below they are delisted, on IMS List right away.

State's BTU's & plants must be scores at 89.5% and greater to be on the IMS List.

The Federal plants check ratings must be 79.5% or above to remain on the IMS List, which they are only being seen once every 3 – 4 years, these survey visits also help to get them re-standardized, when accompanied by Jon or Charles.

The States farm rating 84.4 % to 79.5%. 79.5% requires a re-check. The next rating must score a 90%. If farms rate is 79.4%, or below, that farm BTU would be removed from the IMS List.

Mr. Hollon wanted clarification as to what 'Stand Alone' mean?

Mr. Johns answered that 'Stand alone' facilities are ones that only produce/manufacture containers, closures, caps; they make the materials to send to the plants, and they must be inspected annually.

Plant, Hauler, WST Section Update

Mr. Tedrick informed the Board that there was an development that made us look at our Dealer Law. At the beginning of the year, Steiner Cheese in Baltic, Ohio, owned by James Summers, III, got into financial difficulty and ended up closing his plant. Steiner Cheese claimed to have been the longest operating Cheese plant east of the Mississippi, since 1838. This closing left 150 Amish can producers not getting paid for their milk. This focus applies to our Dealer's law that has been in effect since the 1960's. According to this law dealers who take or receive milk directly from producers need to do one of the following:

1. Send us a financial statement, not an audit, signed by the proprietor. The dairy division did look at these, and gave our assessment, but there couple of problems; we're not trained to make financial evaluations, then what if the financial statement is good today, then no longer good in 2 months? In this particular case, we did have a financial statement on file of Steiner. Looked like they had assets to us, so no alarms went off in this particular case.
2. Provide a bond, an insurance policy, a surety bond for the amount of milk for two months of milk at blend average mailbox price.
3. Escrow money – set aside money in a bank that will cover that two months (value or worth), of milk.

Re-visit Steiner cheese, we had no answers when the phones started ringing, other than we had a legitimate financial statement on file that provided nothing. Even if Steiner would have had a bond the producer leadership was telling us they would not pursue due to religious convictions.

Mr. Mengel told the Board that as soon as we knew of the situation we took control of the inventory based on food safety. We wanted to make sure cheese was handled properly as it related to temperature and hold times.

Issues on Dealers licenses.

Mr. Hopper: quotes the (Ohio Revised Code), ORC; 917.14: "Adoption of method of guaranteeing payment" is a misnomer of a Title. Page Titles such as this are set up by the publisher, not by the legislature. What it says: The dealer can establish or choose one of the three to establish financial responsibility. Certainly, in no way or is the Department guaranteeing a market or method of payment, all it does if provide some kind of information to the Department to help give some information as to their financial position, but a financial statement, if not audited, could be misleading, or could become aged. ODA has little authority to do anything, especially in this case, when producers do not get paid, this then becomes a matter of Civil Liability for the producers and purchasers of their product and really becomes their only option. (And in this case the producers declined to pursue this option). Unfortunately, that is what we had to advise them and that is the position we are in, even if though letter of credit is provided as yet another method for revealing a financial strength of position, you're still never going to guarantee payment, it's just an indicator of that there is some financial where-with-all. And just realize that right up front.

Mr. Ellis stated that one consideration not realized is that there is no minimum pricing for regulated Manufacturer Grade milk. Unlike the producers, shipping Grade A, have a minimum Grade-A price. I (Pearl Valley) could pay you a nickel a hundred weight this month! There's is nothing to go back on.

Mr. Tedrick agreed that Mr. Ellis brought up a great point relative to pay price. We saw some documentation where producers would ship one day and get \$8.00 and the next day received \$4.00 or they might claim that the milk did not meet quality standards and were paid nothing. So there are all types of these things going on within the operation itself, but the bad thing is these can shippers really have no other choice for a market. There is no other game in town, so they are desperate to the point of who ever is open and wants to use that milk for cheese, they're at the mercy of what ever market there is.

Mr. Ellis asked if there would have been any difference if this had been a Grade-A facility verses a manufacturer's facility? Is there anything in place that would have given them any recourse?

Mr. Tedrick answered that it would depend on the Grade-A facility, as far as producers go, you don't know if they were involved in co-operative, or non-members, I think you'd have a little bit of a difference.

Mr. Ellis explained that his only concern about eliminating is, at least at this point these processors have that in there that they know they're supposed to be doing this, whether they are or not? I think the smaller plants are more at risk.

Mr. Ellis asked if the Dealer's license, in the State of Ohio is an annual license?

Mr. Tedrick responded that it is perpetual.

Mr. Fleming said that if was not perpetual then a firm would have to prove financial stability annually. This would take someone from the Department go out and verify what the firm is saying is indeed fact. I think long term an indemnity fund may be the best way to deal with this? On the grain side, the producers pay. With the costs of this, does the Department receive some funding for expenses incurred?

Mr. Hopper confirmed that there are provisions that allow certain amounts of some funds collected to be used for Administration functions.

Mr. Ellis clarified that under that MA's office policy, they guarantee a minimum price, but they don't actually guarantee payment. Mr. Miller, you represent the Manufactures Grade-A Farmers, how would manufacturer Dairy Produces feel about a check off list? Or may 5 or 10 cents, or how ever you divide that would be withheld from the cost of the milk and put in to a fund. May be this would not be managed by the State, or maybe the Cheese Assoc. has to set up? It would be funds set-aside to back up the milk payments. How do you think that would go over?

Mr. Miller commented that it might be a possibility that would work, to help build up a fund.

Mr. Ellis mentioned that he is to meet at the Cheese Association tomorrow night and it might be something that I could bring up. Maybe it's a self enforcement, or self protection situation. When someone like that goes out in the Cheese Industry, all or some of us are in shock, because we're as bad off as they were.

Mr. Shipley asked if any of the 150 or so Steiner producers received anything at all?

Mr. Tedrick answered that in two and a half months, nothing.

Mr. Tedrick told the Board that if you want to look into this further, research this and get back with us, we won't take it off the books, and we'll continue as we historically have done.

Mr. Fleming: informs, (to) start an indemnity program State wide would take a considerable amount of time and effort through the Legislature to get them to pass it. And we would have to have a lot of support.

Mr. Hopper agreed, you are absolutely right, you're bringing in a lot of structure, and The Department would be responsible for maintaining it. You'll have to have staff trained to look at the books of the buyers and assure that they are responsible. All sorts of issues to consider, maybe something set-up by the buyers themselves to help police the situation. I do not have enough experience with any of that to know how that would work. And obviously you would have some responsibilities on the private side.

Mr. Ellis added that for the Amish community, they're not involved in litigation, so I don't think Steiner Cheese ever did declared formal bankruptcy. So there was no legal challenge to them, they could just walk away from.

Mr. Tedrick expressed appreciation for discussing this, there are some good ideas, and we'll continue to do what we can.

Mr. Mengel gave details relative to plant expansions; Pierre's new plant will open up at the end of this month, nice modern facility. Miceli's has a very aggressive program with lot of urban renewal. Dannon's got two expansions, it's like they never stop. There is now a sheep milk producer and processor in the State, around the Mount Gilead area. Superior purchased Sterlena Pride in Wauseon as a Grade-A plant. Stanley Mullet plans to open up an operation in Hicksville. Some of the others that were affected by the Steiner closing from Indiana and Michigan, their milk is now being dumped at Hicksville and may open a cheese facility there. Possibility of two aseptic plants to open in Athens, Ohio. Several more seasonal on-farm processors are preparing to open, with five new applications. Stanley Mullett wants to re-open the plant in Baltic, Ohio by the first of May. I'll be teaching a cheese class in an Ashtabula County school on what it takes to be a Licensed Processor in this state. Ohio takes radiation samples quarterly for water and air. But just recently with the Japan scare; The Ohio EPA has asked that I take 2 emergency samples just in the last couple of weeks, milk collections from the Cincinnati and Cleveland areas.

Lengthy Discussion on Radiation monitoring

Raw Milk Sales in Ohio

Mr. Tedrick shared the fact that the last administration recognized herd share as they told us to not take action against them. We've done that and are not real comfortable with this position. We have worked very closely in the last month with Mr. Hopper; basically what we trying to do is to come up with some options for this new Administration. We are planning on having a few options for the Director to pursue if he sees fit.

Mr. Hopper: states, this will actually require legislation, its not something we could do in-house it would have to become a State of Ohio issue. We are looking for options on this matter of concern for Dairy Division.

Mr. Tedrick pointed out that even though sales of raw milk resides in herd shares, we are concerned with the processing of butter, cottage cheese, yogurt, etc. If you want to get into processing milk in this fashion, you should do it under the same guidelines that any other processors are required too. Now the fluid Raw Milk jug being sold, alright we'll swallow our pride, we want quality counts at certain levels, also looking at animal health, TB, Brucellosis these are public health issues we want and that need to be addressed.

Mr. Gieser asked that if we could come up with rules and regulations, what kind of additional tests are you going to be performing to ensure that there is no bacteria in there? For example, Pennsylvania, they can become licensed to sell raw milk. However, those farms are being tested for pathogens. Are we going to do the same things? Then what happens when we have this farm that shows pathogens and he can't market his milk to a single processor anywhere in the state?

Mr. Mengel made mention that his cousin has a raw milk license in Pennsylvania.

Mr. Wise told the board that we have a pretty extensive list of human pathogens that would be included on that test. And if they show positive results for any of those human pathogen on any tests, there would be an immediate stop, embargo, what ever we could do to latch a hold of what ever is there to destroy.

Mr. Ellis said there is a case going on in Pennsylvania right now where a guy went into the Grade B market and a grade cheese market does not even want his milk. Once you have that sigma that you've got problem, no one wants to do business with you.

Mr. Wise updated the Board that not too many farm developments have occurred during the winter, for the year between Jan 1 – April 1 we lost 3 Grade-A farms. Seasonal farms are back on line. April 2010 to April 2011; year down to 33 Grade-A farms, not as bad as we could see. Total for the year, down 13, that would include manufacture Grade farms. Since April 2010, we've lost a total of 67 total farms, 33 Grade-A and little over 40 manufactured Grade for the year/rolling 12 months. One sheep farm has started up this past month. 23 Goat producers, (mostly seasonal) and keep growing, and 1 sheep producer. Ohio has no commercial goat processing facilities. State of Ohio has test farm with Dairy Masters equipment. Currently only two farms w/robotic installations, supposedly more to come.

Mr. Ellis asked about the seasonal producers and what the rule on start up inspections for those guys?

Mr. Wise answered that if you shut-down for (a month or more) conditions can deteriorate rather quickly, we still want to inspect the farm to make sure that all the conditions are met, even if it is currently a Grade A. We'll inspect until that all conditions are meet. As of April 1, 2011, there are 3220 Total Farms in Ohio and 2356 Grade-A Farms.

Floor Open to public comments; NO public comments.

Mr. Tedrick state that we would like to end on an up note. FDA does a program evaluation once every three years, (all board members receiving copies of this year's FDA Program Evaluations completed by Matt Pitts). I am and have been proud for 12 years, if you asked FDA they would tell you that we are standing tall, and that we substantially meets the rules and regulations embodied in PMO. that is done with a great deal of effort from our Sanitarians to Jon Johns, Brian Wise, Charles Twining and Dave Mengel. Dave is even mentioned as bringing our Weigher, Sampler, Tester percentages of those people being inspected bringing them up from the low 60's% to 88%, that is quite a statement. Our

Farm Section also has help with this, but spearheaded by Dave. That's a good Report. We've stepped up on some Sanitation items that were on contentious issues, that weren't dealt with before. Our mission is to meet these FDA mandates, through compliance. Next meeting is typically held at the Fair Grounds, our annual mandatory meeting is set for Thursday, August 4, 2011. Appreciate everyone coming. Thank you for your input.

Motion to Adjourn; Moved by Tim Shipley; Seconded by Rocky Volpp. Motion passed. Meeting adjourned.