Dairy Development and Profitability Enhancement Program
Work Plan FY2017

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Dairy Profit Teams

The dairy profit teams provide one-on-one guidance to dairy producers across the state, including comprehensive financial analysis, risk management education, and production enhancement advice.

In FY17: Support and direct the Dairy Profit Teams to work with at least 230 farms statewide. Continue to stress utilizing a majority of the budget for team activities.

Dairy Business Planning Grants

These grants provide matching dollars for producers to develop a business plan. Grants are capped at $3,000 per producer. Recipients are continuing to evaluate modernization projects and test for stray voltage.

In FY17: Work with 30 farms statewide, capped at $3000 per application. Grant recipients required to provide a dollar-for-dollar match.

Administration

The administration for this program is a .2 FTE at MDA and includes office rental, benefits package, copier expenses and supplies. The increase of .1 to .2 FTE from MDA is to increase support of dairy profit teams.

Special projects

Special project funds have supported studies to address agriculture plastic recycling, economic research at the U of MN as well as additional support of other dairy related collaborations.

In FY 17: Please see attached spreadsheet.

For additional questions on the Dairy Development and Profitability Enhancement Program, please contact David Weinand, program administrator, 651-201-6646 or David.Weinand@state.mn.us.
<table>
<thead>
<tr>
<th>Budget Item</th>
<th>$ FY 16</th>
<th>$ FY 17</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Dairy Profit Teams</td>
<td>$460,000</td>
<td>$460,000</td>
<td>Contracts to regional teams to provide assistance to enrolled farmers</td>
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<tr>
<td>Dairy Business Planning Grants</td>
<td>$78,400</td>
<td>$90,000</td>
<td>Requests for producers to complete business plans</td>
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<tr>
<td>Administration</td>
<td>$20,000</td>
<td>$45,000</td>
<td>MDA staff, benefits, copying, supplies (staff allocation based on % of job responsibilities); Increase MDA participation to support teams.</td>
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<tr>
<td>Special Projects</td>
<td>$75,600</td>
<td>$50,600</td>
<td>Dairy Research and Teaching Authority and other industry projects directly related to profitability in Minnesota</td>
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<tr>
<td>Total Funding Allocation</td>
<td>$634,000</td>
<td>$634,000</td>
<td>2016-17 Ag Appropriations Act</td>
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