

Virginia Agricultural Council

ANNUAL REPORT

Fiscal Year Ending June 30, 2004

TABLE OF CONTENTS

<u>Page N</u>	<u>10.</u>
Members of the Council	2
Purpose of the Council	4
Grants Approved by the Council for Fiscal Year 2004-2005	6
Approved Projects for Second and Third Year <u>Continued Funding</u> for Fiscal Year 2004-2005	8
Grants Completed June 30, 2004	10
Financial Statement for Fiscal Year 2003-2004	12
Revenue Differentials for Fiscal Years 2003 and 2004	13
Reconciliation of Council Finances with State Department of Accounts	14

Virginia Agricultural Council Members Effective 10/31/02

Joseph H. Barlow 8204 Longvue Circle Suffolk, VA 23436 Commodity: peanuts, cotton

Jean Brown Oakland Green Farm Box 154 Lincoln, VA 20160

Gregory M. Carey 773 Drum Bay Road Hague, VA 22469 Commodity: grains (wheat, soybeans, corn and barley)

Albert G. "Sambo" Johnson 9493 Frederick Hall Road Mineral, VA 23117

Commodity: beef cattle

David Welch Morrisette
P. O. Box 766
Meadows of Dan, VA 24120
Commodity: wine, grapes

Mark H. Newbill 105 Darlington Drive Rocky Mount, VA 24151 Commodity: dairy

John Sponaugle 8888 Leroy Road Grottoes, VA 24441 Commodity: sheep, turkey

Tscharner Watkins, III 2260 Chalkwell Drive Midlothian, VA 23113 Commodity: nursery stock Jason O. Bush Route 3, Box 281 Castlewood, VA 24224 Commodity: cattle, tobacco

Kathy Coffee 2255 Fletcher Chapel Road Kenbridge, VA 23944 Commodity: tobacco, soybeans

Philip B. Glaize, Jr. P. O. Box 2077 Winchester, VA 22604 Commodity: apples

C. Frank Jordan 3607 Labrador Lane Suffolk, VA 23435 Commodity: peanuts, cotton, soybeans, pork

Cecil "Sonny" Myerhoeffer 1386 River Bluff Road Mount Crawford, VA 22841 Commodity: corn, soybeans, dairy, turkey

Paul W. Rogers, Jr. 1233 Southampton Road Wakefield, VA 23888 Commodity: peanuts, cotton, grain

Lynn Rush St. Clair 4176 Swover Creek Road Edinburg, VA 22824 Commodity: vegetables, berries – direct marketing

VIRGINIA AGRICULTURAL COUNCIL EX-OFFICIO MEMBERS

J. Carlton Courter, III, Commissioner VA Dept. of Agriculture & Consumer Services 1100 Bank Street Suite 210 Richmond, VA 23219

Dr. Lorenza W. Lyons Associate Vice President for Agriculture and Extension Virginia State University 100 Owens Hall Box 9081 Petersburg, VA 23806 Dr. Sharron Quisenberry Dean, College of Agriculture & Life Sciences VPI & SU 104 Hutcheson Hall Blacksburg, VA 24061

PURPOSE OF THE COUNCIL

The General Assembly of Virginia recognizes that the industry of agriculture is important to the prosperity of the State and is a major source of income to a large segment of the State's population. A healthy industry of agriculture is essential to the welfare of the citizens of the State.

As a result, the Pennies for Progress Act was passed in 1966 by the General Assembly, establishing the Virginia Agricultural Council to administer the objectives of the Act. Provisions of the Act permit financial assistance and support for agricultural research, education, and services. Activities sponsored are to complement rather than substitute for existing programs. See Code of Virginia, Chapter 4.1, Virginia Agricultural Council, Section 3.1 22.1-22.5, as amended.

The Act states that additional research is required to find new uses for agricultural products, to develop new markets for such products, and to promote more efficient and economical methods of agricultural production. An expanded program of agricultural research is essential to these objectives and will be beneficial to the State.

The Virginia Agricultural Council is directed by 18 members, 15 of whom are engaged in farming and all appointed by the Governor. Insofar as practical, each of the members should be engaged in the production of a different agricultural commodity.

The General Assembly specified in the Act, that it is in the public interest that assessments be levied upon certain agricultural supplies used by farmers. Monies will be received from one-half cent per gallon of the State gasoline tax refund made on motor fuel used for agricultural purposes; five cents per ton levy on lime sold; twenty-five cents per ton on fertilizer sold, with 5 cents per ton for Virginia Agricultural Council use; and seven cents a ton on feed, except Vi feed sold in individual packages of ten pounds or less; 3/10 of 1% of gross sale receipts from lawn and turf seed with 50% to the Council. The Council is also authorized to accept gifts and grants.

The Council will accept requests for financial assistance from any organized group within, or, serving Virginia's industry of agriculture. This includes suppliers, farmers, marketers, extension centers, colleges, and universities.

The Council's philosophy in selecting projects for support is that projects should exhibit the capabilities of yielding timely results applicable and useful to Virginia's industry of agriculture. Studies should address current or foreseeable problems and interests and should have the potential of providing benefits to a reasonably broad spectrum of agricultural needs. This is not to say that very specialized projects or basic studies will not be considered; they should show promise, however, of leading to results that can be applied in a reasonable length of time.

There are five basic considerations, as follows:

a. Importance of the project to Virginia's agricultural economy.

- b. Recognition by the public and/or the Council of the project's importance.
- c. Availability of other funds from industry, commodity groups, governmental agencies, and/or private individuals for support of the projects.
- d. Availability of personnel and facilities to conduct the project, if Council support is received.
- e. Ability of the group, organization, or agency to execute the proposal.

To help the Council in its work, all proposed projects should be submitted in writing on either an approved form, available upon request from the address shown below, or in a format that includes the following essential elements: (a) title; (b) date of proposal; (c) date of study initiation; (d) estimated duration; (e) objectives; (f) justification; (g) summary of procedures; (h) how results will be disseminated and utilized; (i) personnel and facilities involved, including project leaders and their resumes; (j) itemized budget request, by each fiscal year; and, (k) source and amount of other supporting funds, facilities, and personnel. This will aid the Council in evaluating the need and importance of each request.

Twenty copies of each proposal should be sent to the address shown below along with twenty copies of any letters of endorsement from commodity interest groups, associations, or individuals that might help indicate the amount of interest and need for the project. Council members meet at least twice each year, once in the spring, and again in August. New project proposal requests are heard only at the spring meeting which is the fourth Monday in March. Requests must be received by the Executive Director no later than 5:00 p.m. January 31 of each year in order to be placed on the March meeting agenda. Project leaders are encouraged to appear in person to summarize orally their requests and answer questions. They may also bring others who may make short statements in support of the project.

The Council only approves project funding for one fiscal year at a time (July 1 - June 30). Continued financial support past the first fiscal year depends upon reports of progress, availability of funds, and priority in relation to other requests. Periodic progress reports and completed reports by the project leaders are required by the Council.

The second Council meeting in August (fourth Monday) is the Council's Annual Business Meeting.

Executive Director Virginia Agricultural Council P.O. Box 1163 Richmond, Virginia 23218

Listing of Projects and Approved Funding by the Virginia Agricultural Council for the Fiscal Year 2004-2005 at the March 22-23, 2004 Meeting

Cattle Grazing Study	\$5,000.00
Weed Management in Newly Planted, Established, and Overseeded Bermudagrass Turf	\$7,500.00
Develop Protocols for Production of Floating Aquatic Plants	\$4,000.00
Multiple Fungicide Resistances of Phytophthora Species in Nursery Production	\$10,000.00
Education of Virginia Grain and Livestock Industries about New Barley and Wheat Value Added Opportunities	\$5,000.00
Effect of Embryonic Incubation Environment on Immunocompetency of Commercial Broilers or Turkeys	\$18,000.00
Fatty Acid Deposition in Edible Tissues from Pasture – and Concentrate – Fed Steers	\$8,000.00
Expanded Research on Management of Soil Insect Pests in Corn and Potatoes	\$5,389.00
Research on the Use of Thin-Foam Sheets for Rapid Establishment of Turf	\$7,000.00
Post-Fermentation Thermal Unification to Improve Virginia Red Wine Quality	\$14,000.00
Sorting Out Astible Using Single Nucleotide Polymorphisms and Diagnostic Morphology	\$10,000.00
Genetic Analysis of Induced Dilated Cardiomyopathy in Turkey	\$20,000.00
Characterization of Mild Lameness in Horses Using Portable, Objective Measurement Techniques	\$17,000.00
Methods for Converting Golf Fairways to Seeded Bermudagrass	\$12,000.00

AITC-Virginia Laminated Agricultural Desk Map	\$9,000.00
Examination of Selected Factors Affecting Earliness in Virginia Cotton	\$23,000.00
Nutritional Approaches for Enhancing Reproduction in Swine	\$11,065.00
Predisposition of Apple Trees to Fire-Blight by Periodical Cicada Injury	\$8,523.00
New Approaches for Detection and Management of Grape Root Borer in Virginia Vineyards	\$10,000.00
Management Techniques to Optimize Grain Yields of Hullness and Grain Yield and Quality of Bread Wheat in Virginia	\$10,000.00
Total 20 new projects	\$214,477.00

RESEARCH PROJECTS APPROVED FOR SECOND AND THIRD YEAR CONTINUED FUNDING IN 2004-2005

Second Year Project Funding:

Development of Specialty Wheat Varieties with Value Added End Use Properties	\$12,500.00
Role of Bovine Mammary Stem Cells In Prepubertal Mammary Development	\$20,912.00
Improving Cost Efficiency of Expensive Plant Growth Regulators (Apogee, Retain, 6-BA, or others) in Apple Orchards	\$18,000.00
Control of Pre-harvest Apple Fruit Drop, Firmness, and Quality While Extending the Harvest Window for Increased Crop Value	\$7,000.00
Amino Acid and Peptide Utilization in Pre- and Early Weaned Pigs	\$18,000.00
Enhancing Disease Resistance in Peanut	\$15,000.00
Crabgrass – Winter Annual systems for Extending Forage Production	\$4,000.00
Monitoring Root Growth of Container – own Plants During Production and Transplanting	\$8,000.00
Potential of Organic Growth Stimulants to Decrease Turfgrass Irrigation Requirements	\$15,000.00
Crown Cut Broccoli Production and Market Development for SW Virginia	\$11,000.00
Integrated Pest Management of Thrips and Tomato Spotted Wilt in Tomato	\$7,500.00
Comparisons of No-Till and Conventional- Till Pumpkin Production Systems	\$3,000.00
Variable-Rate Nitrogen and Phosphorus of Wheat and Corn	\$10,000.00

•	ment of Compost-Based er Sub-strates for Ornamental es	\$16,000.00
Third Ye	ar Project Funding:	
Tomato I Raspber	Ringspot Virus Management in ries	\$6,000.00
Performa Prairie G	e Quality, Bio-mass and Animal ance of Cattle Grazing Lakota Grass, Kentucky 31 Tall Fescue & Q Tall Fesue	\$6,100.00
Total	16 continuation projects	\$178,012.00

Grants Completed June 30, 2004

Evaluation of Disease Susceptibility and Resistance of New Apple Cultivars

An Internet-based Surveillance and Decision-making Tool for Turfgrass Managers

Apple Marketing Research

Root Restriction an Alternative to Rootstocks, for Control of Flowering, Fruiting, Tree Growth, Yield Efficiency, and Fruit Quality of Fruit and Ornamental Trees

Competitive Fertilization Using Mixed Semen from Holstein and Jersey Bulls

A Loblolly Pine Management Model for Virginia Landowners

Tomato Ringspot Virus Management in Raspberries

Improving the Productivity of Virginia Pastures: Alfalfa/Tall Fescue Mixtures

A Pilot Educational Program to Introduce and Assess ISO 14001-Based Environmental Management Systems for Dairy Enterprises in Virginia

Selecting, Producing and Marketing Utility Easement Compatible Trees

Identification and Pathogenicity Testing of Pythium Species Recovered from Virginia Nursery Irrigation Water

Assessing the Productivity and Nutritive Value Characteristics of Grasses Grown Under Different Tree Species and Different Tree Spacing Aspect

Aquatic Phytoremediation Systems Development

Lateral Movement of Herbicides on Golf Fairways and Effects on Bentgrass Greens

Evaluation of the Multi-Use System Insecticide Imidacloprid for Use

Against Bark Infesting Insect Pests of Conifers

Direct and Comparative Genomics-based Analysis of Immune Response in Chickens

Development Phytoremediation Plant Coral Systems

Pregnancy Rate and Embryo Survival for Gilts Housed Individually or in Groups During the First Thirty Days of Gestation

Using Remote Sensing Technologies to Determine Soybean Leaf Area and Yield Variability

Agriculture in the Classroom – Agricultural Map Project

A Novel Strategy to Enhance Skeletal Muscle Growth in Beef Cattle

Expanded Research on the Ecology and Management of Wireworm in Virginia

Establishment of a Hatchery to Provide Specific Pathogen Free Fingerlings and Fry to Farmers for Establishing Aquaculture Businesses for Either Supplemental or Alternative Income

TOTAL 23 projects

VIRGINIA AGRICULTURAL COUNCIL FINANCIAL STATEMENT JULY 1, 2003 - JUNE 30, 2004 Revenue & Expenditures

Cash Balance - June 30, 2003		\$474,405.26
Add: Revenues		
Feed Tonage Seed Fertilizer Tonnage Lime Tonnage Motor Fuel Interest Miscellaneous Total Balance and Receipts	\$245,971.55 30,436.70 39,443.21 20,825.80 5,402.23 7,898.12 20.00	 \$824,402.87
Total Balance and Necelpts	ф349,997.01	φο24,402.07
Less - Expenses:		
Postal/Printing/Miscellaneous Travel-Members Meeting Expenses Wages-Assistant Secretary/FOAI Grant Expenditures	\$1,495.48 6,815.35 16,739.28 <u>365,216.22</u> \$390,266.33	
Cash Balance - June 30, 2004		\$434,136.54

Revenue Differentials - 2003-2004

Totals	\$357,881.44	\$349,997.61	- \$ 7,883.83
Miscellaneous	\$	\$ 20.00	+ 20.00
Motor Fuel Receipts – Refunds	\$ 5,474.63	\$ 5,402.23	- 72.40
Interest on Balance	\$ 19,576.43	\$ 7,898.12	- 11,678.31
Seed Inspection Fee	\$ 48,995.96	\$ 30,436.70	+ 18,559.26
Lime Tonnage Inspection	\$ 40,936.74	\$ 20,825.80	- 20,110.94
Feed Tonnage Inspection	\$196,954.25	\$245,971.55	+ 49,017.30
Fertilizer Tonnage Inspection	\$ 45,943.43	\$ 39,443.21	- 6,500.22
	<u>2003</u>	<u>2004</u>	<u>Difference</u>

With regard to the financial information of the Virginia Agricultural Council for the year ending June 30, 2004 the following attachments submitted by the Finance Office of the Virginia Department of Agriculture and Consumer Services to the Department of Accounts, verified and reconciles to the State's CARS system.

Thomas R. Yates
Executive Director