



Virginia Agricultural Council

ANNUAL REPORT

*Fiscal Year Ending
June 30, 2020*

Virginia Agricultural Council Annual Report

PUBLICATION YEAR 2020

Document Title

Virginia Agricultural Council Annual Report

Author

Virginia Agricultural Council

Legislative Mandate

Va. Code § 3.2-2904

Executive Summary

Summarizes the management and expenditure of the Virginia Agricultural Foundation Fund for programs of agricultural research, education, and agricultural services to strengthen and promote the best interests of agriculture in the Commonwealth. The report contains the annual financial statements of the Agricultural Council for the fiscal year ending June 30, 2020.

TABLE OF CONTENTS

	<u>Page</u>
Members of the Council	5
Purpose of the Council	8
Grants Approved by the Council for Fiscal Year 2019-2020	10
Approved Projects for Second Year Continued Funding For Fiscal Year 2019-2020	10
Grants Completed June 30, 2020	12
Financial Statement for Fiscal Year 2019-2020	13
Revenue Differentials for Fiscal Years 2019 and 2020	14
Reconciliation of Council Finances with the Commonwealth Department of Accounts	15

Tscharner D. Watkins, III
Chair

Cecil E. Meyerhoeffer, Jr.
Vice Chair



Jason O. Bush
Secretary

Kendra Brown Shifflett.
Executive Director

October 30, 2020

The Honorable Ralph S. Northam
Governor
Commonwealth of Virginia
Richmond, Virginia 23219

Dear Governor Northam:

The Virginia Agricultural Council is pleased to present its annual report for the fiscal year ending June 30, 2020.

The members of the Council appreciate the opportunity to serve the agriculture industry in the Commonwealth of Virginia.

We trust you will find the report informative and rewarding, and we recognize the diversity of agricultural interests in the State that contribute greatly to the Commonwealth's economic growth.

Sincerely,
VIRGINIA AGRICULTURAL COUNCIL

Tscharner D. Watkins, III
Chairman

MEMBERS OF THE VIRGINIA AGRICULTURAL COUNCIL

<p>Vacant Commodity:Peanuts, Cotton</p>	<p>Mr. Jason O. Bush Bush Farms 471 Brickchurch Circle Castlewood, VA 24224 Cell Phone: 276-608-7049 Commodity:Cattle, Tobacco cowmanjob@yahoo.com</p>
<p>Mrs. Kathy G. Coffee W. J. Coffee Farms 2255 Fletcher Chapel Road Kenbridge, VA 23944 Cell Phone: 434-955-0009 FAX: 434-676-1653 Commodity:Tobacco, Soybeans, Wheat kgcoffee1979@yahoo.com</p>	<p>Mr. Travis Croxton Rappahannock Oyster Company 4777 Wormleys Drive Mechanicsville, VA 23116 Cell Phone: 804-986-2854 Commodity:Aquaculture travis@roysters.com</p>
<p>Mr. Philip B. Glaize Jr. Fred L. Glaize 112 Piccadilly Street (Postal code - 22601) P. O. Box 2077 Winchester, VA 22604 Cell Phone: 540-247-6251 FAX: 540-667-3464 Commodity:Apples glzapple@visuallink.com</p>	<p>Mr. George G. Grattan 305 Wickham Glen Drive Richmond, Virginia 23238 Cell Phone: 804-400-9040 Commodity:Turf Gil.grattan@viriniagreenlawncare.com</p>
<p>Ms. Ashley E. Hardesty Harvue Farms 1458 Longmarsh Rd. Berryville, VA 22611 Cell Phone: 540-239-8904 Commodity: Dairy e-mail: alelgin85@gmail.com</p>	<p>Mr. Cecil B. "Sonny" Meyerhoeffer 7865 Kiser Rd. Mount Crawford, VA 22841 Cell Phone: 540 421-0519 Commodity:Poultry, Grain email: sonnyebp@gmail.com</p>

<p>Mr. Justin Minor 14455 Macon Grove Lane Gainesville, VA 20155 Cell Phone: 540-219-2892 Commodity: e-mail: jminor16@gmail.com</p>	<p>Mr. Mark Newbill Forest Lake Farm & NEWBILT Construction 105 Darlington Drive Rocky Mount, VA 24151 Cell Phone: 540-556-0458 Commodity: Dairy e-mail: mnewbill@embarqmail.com</p>
<p>Ms. Kimberley H. Nixon Co-Owner, Glenmary Farm LLC and Western View Plantation LLC 21496 River Road Rapidan, Virginia 22733 Cell Phone: 540-718-0378 Commodity: Cattle, Turkey and Grain khnixon1231@gmail.com</p>	<p>Ms. Lynn Rush St. Clair Swover Creek Farms 4176 Swover Creek Road Edinburg, VA 22824 Cell Phone: 540-335-7101 Commodity: Direct Marketing swover@shentel.net</p>
<p>Ms. Tia L. Walbridge 17170 Brockdale Lane Round Hill, Virginia 20141 Cell Phone: 571-271-2246 Commodity: tiawalbridge@gmail.com</p>	<p>Mr. Tscharner D. Watkins III 3907 West Franklin Street Richmond, VA 23221 Cell Phone: 804-929-1982 Commodity:Nursery Stock tscharnerwatkins@comcast.net</p>
<p>Mr. Alan Worrell Worrell Family Farms 879 Sunrise Drive Austinville, VA 24312 Cell Phone: 276-768-9855 Commodity: Vegetables Alanworrell@ymail.com</p>	

VIRGINIA AGRICULTURAL COUNCIL
EX-OFFICIO MEMBERS

Dr. M. Ray McKinnie
Virginia State University
100 Owens Hall
Box 9081
Petersburg, VA 23806
Work Phone: 804-524-5961
mmckinnie@VSU.edu

Dr. Jewel Bronaugh
Virginia Dept. of Agriculture and
Consumer Services
102 Governor St.
Richmond, VA 23219
Work Phone: 804-786-3501
FAX: 804-371-2945
Jewel.Bronaugh@vdacs.virginia.gov

Dr. Alan Grant
Dean, College Of Agriculture
VPI & SU
104 Hutcheson Hall
Blacksburg, VA 24061
Work Phone: 540-231-4152
Cell Phone:
FAX:
algrant@vt.edu

Purpose of the Council

Agriculture is Virginia's largest industry, with an economic impact of \$70 billion annually and provides more than 334,000 jobs in the Commonwealth.

The Pennies for Progress Act (Act) was passed in 1966 by the General Assembly, establishing the Virginia Agricultural Council (Council) to administer the objectives of the Act. The current Agricultural Council Law (Virginia Code §3.2 – 2900 et seq.) permits financial assistance and support for agricultural research, education, and services. Activities sponsored are to complement rather than substitute existing programs.

The Law 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 benefits the state.

The Council is directed by 18 members, 15 of whom are engaged in farming and all are 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 Law that it is in the public interest that assessments be levied upon certain agricultural supplies used by farmers. Monies are received from one-half cent per gallon of the state gasoline tax refund made on motor fuel used for agricultural purposes; a five cents per ton levy on lime sold; a 25 cents per ton levy on fertilizer sold, with five cents per ton for Virginia Agricultural Council use; a seven cents per ton levy on feed; and 3/10 of one percent of gross sale receipts from lawn and turf seed with 50 percent to the Council. In 2008, the General Assembly established the Seed Fund (Virginia Code §3.2-4004). Monies received for this fund are administered by the Council for the exclusive funding of lawn and turf research. The Council is also authorized to accept gifts and grants.

The Council accepts 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 on selecting projects for support dictates that projects should exhibit the capabilities of yielding timely results that are applicable and useful to Virginia's industry of agriculture. Studies should address current or foreseeable problems and interests, and should have the potential to provide benefits to a reasonably broad spectrum of agricultural needs. All projects will be considered; however, projects should show promise with 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 or the Council of the project's importance.
- c. Availability of other funds from industry, commodity groups, governmental agencies, or private individuals in 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.

Council members meet at least twice each year; once in the spring, and again in the summer. In FY 2020, the spring meeting was delayed due to COVID-19. The principle investigators complete a preproposal outlining the objectives of their proposal that must be received by November 15 each year. Selected applicants are invited to submit full proposals. New project proposal requests are considered at the spring meeting.

The Council 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. The Council meeting held in August is the Council's Annual Business Meeting.

GRANTS APPROVED BY THE COUNCIL FOR FISCAL YEAR 2020

Last Name	Project Name	Amount
Pent	Can Sericea Lespedeza Pellets Reduce the Effects of Fescue Toxicosis?	\$13,404
Oakes	Assessment of Fusarium Head Blight in Small Grains Using Aerial Methods	\$8,000
Bradford	Improving Parasite Resistance in the Virginia Sheep Industry	\$7,500
Petersson-Wolfe	Investigating the Effect of Dexamethasone on Productivity, Immune Function, and Behavior in Dystocic Periparturient Dairy Cattle	\$17,820
Niemiera	Edible Landscape Species E-Book Publication	\$3,642
Scoggins	Cultivars Trials of Alternative Crops for Hydroponic Production in Virginia	\$13,135
Cockrum	Improvement of Colostrum Production in Dairy Breeds Via Photoperiod Manipulation	\$6,575
Kong	Investigation of the Correlation Between the Boxwood Endophyte Population Antagonistic to Boxwood Blight and Boxwood Plant Resistance	\$19,345
Maroof	Development of High Protein Soybean Cultivars	\$9,000
Estienne	Is Treatment with Iron Necessary to Prevent Anemia in Pigs Raised in Outdoor Production Systems?	\$13,000
Ferreira	Evaluating the Ruminant Digestibility of Conventional and Brown Midrib (BMR) Summer Annual Grasses.	\$12,000
Stewart	Developing Predictive Markers of Reproductive Soundness in Peri-pubertal and Mature Rams Throughout the Year	\$13,556
O'Keefe	Development of Standardized Dry Roasting Procedures for Virginia Peanuts	\$13,800
Mercadante	Defining the Best Bull to Cow Ratio to Maximize Pregnancy Rates and Economic Return after Resynchronization of Estrus in Beef Cow-calf Operations	\$14,100
Davies	Increasing Agricultural Sustainability through Adoption of New Crops	\$15,000
Fike	Virginia Hemp Production and Management Trials	\$20,073
	Total	\$199,950

SECOND YEAR PROJECTS

Last Name	Project Title	Amount
Frame	Developing a Malting Barley/Cotton Double Crop System for Southeastern Virginia	\$15,500
Fukao	Improvement of Flooding Tolerance in Corn	\$12,000
Goatley (Seed Fund)	Evaluating the potential of perennial two-grass turf management systems utilizing Kentucky bluegrass established and maintained in combination with seeded and vegetatively established Bermuda grass	\$5,000
Li	Developing Culture-free Sequencing Technologies to Improve Ornamental Crop Disease Diagnosis and Prevention with a Focus on Boxwood Blight	\$16,000

SECOND YEAR PROJECTS Continued

Last Name	Project Title	Amount
Rivest	Carry-over Effects of Hatchery Conditions (Seawater pH and Temperature) on the Virginia Aquaculture Species, Crassostrea Virginica	\$11,269.00
Scoggins	Hops in Virginia: Cultural Practices and Post-Harvest Processing	\$8,200.00
Tracy	Evaluating the Potential for Dual-use Canola/Rapeseed Production in Virginia	\$6,000.00
	Total	\$73,969.00

SEED PROJECTS

Last Name	Project Title	Amount
Askew	Expanding Sod Marketing Options with Native and Pollinator Plants	\$20,000
Goatley	Using ethylene inhibitor and polyamine to prolong tall Fescue Sod shelf life	\$12,000
Kuhar	Monitoring Annual bluegrass weevil (ABW) on Virginia Golf Courses	\$19,260
	Total	\$51,260

GRANTS COMPLETED FY 2020

Project Number	Title
651	Reducing Fescue Pasture Toxicity by Frost Seeding Bermuda Grass, Alfalfa, or Clovers
686	Delivering Probiotics to chicken embryos to enhance post-hatch performance and immunity
688	Increasing Profitability for Virginia's Double Crop Wheat-Soybean System
692	Understanding Nitrogen Fate to Increase Profitability in Ornamental Container-Grown Plant Production
693	Evaluation of alternative methods for the prevention and control of histomonosis (blackheads) in turkeys
697	Enhanced Apple Cider Fermentation by Selective Light Exposure
698	Pre-bloom Leaf Thinning to Increase Grape Aromas and Aid Bunch Rot Management
701	Alternative Fencing and Watering Systems to Enhance Stream Exclusion and Grazing Management
705	Evaluating the effect of Propionate on First-Calf Heifer Reproductive Performance
709	A diet-based scheme for improving muscle development in ruminant
717	Seaside Aquaculture: addressing roadblocks to commercial production of bay scallops
719	Incorporation of zinc (Zn ²⁺) chelators during fertilization to prevent early embryonic loss in cattle
722	Developing culture-free sequencing technologies to improve ornamental crop disease diagnosis and prevention with a focus on boxwood blight

Current Financial Statement for					
July 1, 2019 - June 30, 2020					
Revenue and Expenditures					
Cash balance - June 30, 2019					\$ 548,555.49
Add: Revenues					
	Feed Tonnage		\$ 278,111.79		
	Seed		67,342.72		
	Fertilizer Tonnage		41,031.55		
	Lime Tonnage		15,300.50		
	Motor Fuel		110.85		
	Interest		7,731.13		
	Miscellaneous		53.46		
			409,682.00		
Total Balance and Receipts					\$ 958,237.49
Less - Expenses					
	Miscellaneous		\$ 3,529.92		
	Travel		8,862.85		
	Grant Expenditures		383,111.16		
			\$ 395,503.93		
Cash Balance - June 30, 2020					\$ 562,733.56

Revenue Differentials FY2019 and FY2020

	2019	2020	Difference
Fertilizer Tonnage Inspection	\$42,673.69	\$41,031.55	(\$1,642.14)
Feed Tonnage Inspection	271,020.90	278,111.79	7,090.89
Lime Tonnage Inspection	21,876.07	15,300.50	(6,575.57)
Seed Inspection Fee	60,646.62	67,342.72	6,696.10
Motor Fuel/interest/misc.	14,709.32	7,895.44	(6,813.88)
<u>Totals</u>	<u>\$410,926.60</u>	<u>\$409,682.00</u>	<u>(1,244.60)</u>

COMMONWEALTH OF VIRGINIA
Department of Accounts
General Accounting
Certification of Agency Reconciliation to Cardinal

Agency No. 307

Agency Name: AGRICULTURAL COUNCIL

To the Comptroller:

Our agency's management accepts responsibility for the integrity and objectivity of the financial transactions provided to the State Comptroller. We believe the data provided are accurate in all material respects. The basis for these conclusions relates to our assessment of the internal controls operating within our Agency. The establishment of such internal controls requires estimates and judgments from management so that, in attaining reasonable assurance as to the adequacy of such controls, the cost of controls should not exceed the benefits obtained. I believe the Agency's internal controls adequately safeguard its assets and provide reasonable assurance as to the proper recording of financial transactions.

Additionally, I certify that, for the agency listed above, the accounting records represented in Cardinal, the official record of the Commonwealth, are accurate in all material respects.

Our agency accounting records for the year ended June 30, 2020, have been verified and reconciled to Cardinal, and when any submitted General Ledger Journals have posted to Cardinal, and/or items shown below (if any) are processed, our internal records will be in agreement with those reported in Cardinal for each of the following:

- Yes All cash balances (by fund)
- Yes All appropriations (by fund, program)
- Yes All allotments (by fund, program)
- Yes Total expenditures (by fund, program, account)
- Yes Net revenues (by fund, account)
- Yes Fixed assets (by fund)

PLEASE INDICATE IF THERE ARE ITEMS NOTED ON THE EXCEPTION REGISTER.

No

Signature: Jewel Bronaugh

Printed Name: Jewel H. Bronaugh, Ph.D.

Title: Commissioner
Agency Head or Designee

Date: July 13, 2020

Signature: Angela Thompson

Printed Name: Angela Thompson

Title: Director of Finance
Fiscal Officer or Designee

Date: July 13, 2020

Fiscal Officer's Telephone No: 804-371-6094