

FINAL
Virginia Agricultural Council
The Hilton Garden Inn
Suffolk, Virginia
August 24 & 25, 2017

The Virginia Agricultural Council held their official annual meeting on August 24 & 25, 2017, at The Hilton Garden Inn in Suffolk, Virginia. The meeting's purpose was to review the final grants approved for the upcoming fiscal year, review Council's financial status and view first hand projects funded by the Council.

Thursday August 24, 2017

Chairman T.D. Watkins called the meeting to order at 8:00 a.m.

Members present were:

Joseph Barlow	Mark Newbill	Cecil "Sonny" Meyerhoeffer
Kathy Coffee	Lynn St. Clair	
Ashley Hardesty	Tscharner "T.D." Watkins, III	

Council Members absent: Phil Glaize, Kimberley Nixon, Jeff White, Travis Croxton, Alan Worrell, Jason Bush, Jack Hall, and Dr. M. Ray McKinnie, Virginia State University (Ex-Officio)

Ex-officio members in attendance:

Sandy Adams, Commissioner, VDACS

Dr. Saied Mostaghimi, Associate Dean, the College of Agriculture and Life Sciences of Virginia Polytechnic Institute and State University representing Dean Alan Grant

VDACS Staff in attendance:

Larry Harris, Executive Director of the VAC

Jennifer Cavedo, Director of Administrative and Financial Services

Margie Gehler, Administrative and Financial Services

Kendra Shifflett, Budget Director

Anna Seymour, Commissioner's Office

Chairman Watkins began the meeting at 8:00 am.

Chairman Watkins announced the resignation of Council members, Jack Hall and Jeff White. Commissioner Adams stated that VDACS plans to strongly encourage the Secretary of the Commonwealth to appoint new members. She asked that if anyone has recommendations, to please encourage those interested applicants to contact the Secretary's office.

Chairman Watkins asked Dr. Saied Mostaghimi to provide Council members with an update from Virginia Tech. Dr. Mostaghimi stated that classes began this week with the largest freshman enrollment and the largest enrollment within the Life Sciences Department to date.

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Chairman Watkins asked Commissioner Adams to give an agency update to Council members. Commissioner Adams directed attendees to the new brochures and discussed the Governor's 2017 Economic Impact Statement, which contained good news for the Agriculture industry.

Minutes from the March 2017 meeting were discussed. Chairman Watkins asked for a motion to approve the minutes. Sonny Meyerhoeffer motioned to accept the minutes as presented, and Kathy Coffee seconded the motion. The motion passed by unanimous vote of Council.

Chairman Watkins asked Larry Harris to review the financial reports with the Council. Mr. Harris began by discussing the FY 2016-2017 Year End Financial Statement. Mr. Harris presented the financial condition of the Council through June 30, 2017. The beginning cash balance as of June 30, 2016 was \$432,719.65, revenues were \$352,030.00 and expenditures were \$306,103.68, which brought the year-to-date balance to \$478,645.97.

Mr. Harris directed attendees to view the Revenue Differentials Spreadsheet. He explained this spreadsheet compares the revenue for 2016-2017 to the five-year average for revenue. The report details each individual revenue line item for comparison.

REVENUE DIFFERENTIALS 2013-2017

						5 YR AVG	2017 (UNDER) OVER 5 YR AVG	2017 % CHANGE FROM 5 YR AVG
Commodity	FY2013	FY2014	FY2015	FY2016	FY2017	FY2012-2016		
Feed Tonnage	\$ 224,483.55	\$ 227,126.96	\$ 272,115.82	\$ 255,509.37	\$ 223,234.80	\$ 240,494.10	\$ (17,259.30)	-7.73%
Fertilizer Tonnage	33,919.58	41,385.43	37,495.10	45,046.44	42,310.35	\$ 40,031.38	2,278.97	5.39%
Lime Tonnage	24,666.45	23,622.09	22,177.29	24,894.97	22,357.84	\$ 23,543.73	(1,185.89)	-5.30%
Motor Fuel	2,069.79	1,512.48	2,376.83	1,556.46	914.96	\$ 1,686.10	(771.14)	-84.28%
NON SEED TOTAL	\$ 285,139.37	\$ 293,646.96	\$ 334,165.04	\$ 327,007.24	\$ 288,817.95	\$ 305,755.31	\$ (16,937.36)	-5.86%
Seed	\$56,069.43	\$59,130.16	\$71,138.22	\$35,812.34	\$59,494.06	\$ 56,328.84	\$3,165.22	5.32%
TOTAL	\$ 341,208.80	\$ 352,777.12	\$ 405,303.26	\$ 362,819.58	\$ 348,312.01	\$ 362,084.15	\$ (13,772.14)	-3.95%

Sonny Meyerhoeffer questioned the drop in feed tonnage this year, as opposed to 1-2 years previously. Jennifer Cavedo indicated the program area may be able to provide some reasons and if so, staff will report to the Council at the next meeting.

Mr. Harris presented Seed Fund Administrative Cost calculation. This year the total was calculated at 13.43%, which brings the seed fund share of administrative costs to \$7,564.49.

Mr. Harris continued the financial presentation by reviewing the grant summary report as of June 30, 2017. Mr. Harris reported some projects have closed out and/or will be closing out soon but no final reports have been received to date. The final figures on the closed projects will be reported at the March 2018 meeting.

Mark Newbill motioned to approve the Financial Report, and Kathy Coffee seconded the motion. The motion to approve the Financial Report was passed by a unanimous vote of the Council.

At this time, Mr. Harris reported the need to update the VAC policies and procedures since the last revision was done in 2007. He will present a proposed update at the March meeting. Additionally, Mr. Harris proposed changes be made to the instructions sent out during the preproposal process. These changes include a simplified procedure for researchers to revise their budgets during the grant period.

Due to vacancies within the Council, Mr. Harris stated that preproposal review assignments may be redistributed in order to have an equal number of Council members assigned to each commodity while reviewing grant preproposals. Chairman Watkins added it is essential to have an equal balance on each commodity as it ensures the scoring process is fair and equal.

Chairman Watkins opened the floor to public comment. No public comments were made.

Council members agreed to hold the March meeting in Staunton, Virginia at The Stonewall Jackson Hotel on March 26 and March 27, 2018.

Larry Harris gave the Council a brief overview of the industry tours that have been planned following the meeting. Chairman Watkins thanked Joe and Lynn Barlow for hosting the annual meeting dinner.

Sonny Meyerhoeffler moved to adjourn the meeting, and Ashley Hardesty seconded the motion. The motion passed by unanimous vote of Council and the meeting adjourned at 8:35 am.

Approved:

Tscharner D. Watkins, III,
Chairman

Cecil W. Meyerhoeffler
Vice-Chairman