

AGRICULTURAL COMMODITY BOARD

ANNUAL REPORT

FOR THE

VIRGINIA COTTON BOARD

FY 2010-11

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I. NARRATIVE

The Virginia Cotton Board, VCB, was established in September 1997, under the laws of the Commonwealth of Virginia, following a favorable vote of Virginia cotton producers from a referendum. The mission of this Board is to manage funds collected from grower assessments for the purpose of conducting programs in research, education, and promotion of the growth and use of cotton. Funds to support the programs of this Board come from an assessment paid by cotton producers and collected from the first handler, which in Virginia is the cotton gin, at the rate of 95 cents per bale of cotton ginned in Virginia.

The Board is composed of eight members appointed by the Governor, each of whom shall be a resident of and producer of cotton in Virginia. The Governor is guided in his appointments from nominations made by the Virginia Cotton Growers Association and the Virginia Farm Bureau Federation.

For the 2010 season, 82,250 acres of cotton were harvested in Virginia with 108,048 bales ginned in Virginia, for an average yield of 631lbs/acre. The lint average was 293 pounds *less* per acre than the previous year which is a sizable decrease due to the lack of rainfall over the growing season. A bale of cotton weighs 480 lbs. The yield was poor and the quality not as good as normal. It is important to remember that some cotton grown in Virginia is ginned in North Carolina and cotton gins in Virginia likewise gin cotton from North Carolina. The yield and assessment is based on cotton "ginned" in Virginia.

For the 2010-2011 year cotton bale assessment collections were \$102,660.85 according to the Virginia Department of Taxation and VCB records. The Board funded six research, educational, and marketing projects for a total of \$38,689.50 and supported the National Cotton Council, Inc. and Southern Cotton Growers, Inc. in the amount of \$70,231.20. At the end of the fiscal year, June 30, 2011, the Board had a cash balance of \$40,168.91 and outstanding financial commitments of \$40,000. These commitments were outstanding obligations for research, education, marketing projects, board expenses and travel, including a reserve of \$4,000 with the unobligated balance being \$168.91.

Clay B. Lowe
Chairman
Virginia Cotton Board

II. BUDGET & FINANCES

1. Cash Balance: June 30, 2010		\$41,954.40
2. Assessment Receipts: July 1, 2010-June 30, 2011	+	102,660.85
3. Other Receipts: July 1, 2010- June 30, 2011	+	461.26
4. Total Balance and Receipts	=	145,076.51
5. Actual Expenditures	-	104,907.60
6. Cash Balance: June 30, 2011	=	\$40,168.91

III. PROJECTS AND FUNDING

Project Title	Funding Amount
1. National Cotton Council (108,048 @ 55 cents/bale)	59,426.40
2. Southern Cotton Growers, Inc. (108,048 @ 10 cents / bale)	10,804.80
3. Ag in the Classroom, VFB, Cotton Educational Materials (Davis)	4,189.50
4. New Innovations for Replacement of Temik 15G for Nematode Control in Cotton (Phipps)	15,500.00
5. Assessment of Varieties, Insecticides, Resistance Levels & New Pest Species To Improve Mgt of Cotton Insect Pests in Virginia (Herbert)	12,500.00
6. VCGA NCC Delegates travel to conferences	1,000.00
7. VCB Members travel expenses	1,000.00
8. Travel Costs for Program Director	4,500.00
TOTAL	\$108,920.70

IV. YEAR END FUNDING LEVEL

VIRGINIA COTTON BOARD FINANCIAL STATEMENT JULY 1, 2010 - JUNE 30, 2011

REVENUE	
Balance June 30, 2010	\$41,954.40
Cotton Tax Assessment	\$102,660.85
Additional Revenue (interest)	\$461.26
Total Balance & Receipts	\$145,076.51
EXPENSES	
Administrative	
1. Travel (Board Members)	\$411.41
2. Food (2 Meetings)	\$584.12
3. VDACS Admin Fee/Finance Office	\$466.82
4. Postage	\$95.02
5. Supplies	26.46
Total Administrative Expenses	\$1,583.83
Paid on Approved Projects	
1. Assessment of Conventional & New Strategies for Nematode Control in Cotton	\$10,678.44
2. Value of Genetically Protected Cotton Against Bollworm; Bollworm Insecticide Resistance Monitoring; & Plant Bug & Thrips Mgt. Research	\$9,274.00
3. Controlling & Preventing Further Spread of Palmer Amaranth	\$3,734.30
4. VA Cotton Growers Assoc	\$1,656.53
5. Ag in the Classroom	\$4,189.50
6. Southern Cotton Growers	\$10,804.80
7. National Cotton Council	\$59,426.40
8. Travel Program Director	\$3,559.80
TOTAL PAID ON APPROVED PROJECTS	\$103,323.77
TOTAL EXPENDITURES	\$104,907.60
CASH BALANCE	\$40,168.91

VIRGINIA COTTON BOARD

OUTSTANDING OBLIGATIONS TO BE PAID:

Amounts Due on Projects Approved at
March 2011 Meeting

1. New Innovations for Replacement of Temik 15G for Nematode Control in Cotton (Phipps)	\$15,500.00
2. Assessment of Varieties, Insecticides, Resistance Levels & New Pest Species to Improve Mgt of Cotton Insect Pests in Virginia (Herbert)	\$12,500.00
3. Travel Costs for Program Director	\$4,500.00
4. Travel Cost for Board Members	\$1,000.00
5. VCGA & Southern Delegate Expenses	\$1,000.00
6. Reserves	\$4,000.00
7. VDACS Processing Fee	\$500.00
8. Board expenses	\$1,000.00

TOTAL OUTSTANDING OBLIGATIONS	\$40,000.00
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UNOBLIGATED BALANCE	\$168.91
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V. FY 2010 – 2011 BOARD MEETINGS & ATTENDANCE ROSTER

Date	Time	Location
July 29, 2010	9:00 AM	Tidewater AREC, Suffolk
March 7, 2011	9:30 AM	Tidewater AREC, Suffolk

Members	Attendance July 10	Attendance March 11
*Shelley Butler-Barlow		YES
*Joey G. Doyle		YES
Lance V. Everett	YES	YES
James S. Ferguson, Sr.	YES	
*Michael E. Grizzard		YES
R. Bruce Johnson	NO	YES
James W. Jones, Jr.	YES	YES
David L. Long	YES	NO
Clay B. Lowe	NO	YES
R. Scott Turner	NO	
Monte K. Walden, Sr.	NO	

***indicates new Board member**

VI. SUMMARY

The 2010-2011 cotton year in Virginia was the worst year in seven years due to drought summertime conditions. Acreage increased by 19,000 acres which is positive but yields were significantly down due to the lack of rainfall.