

Virginia Sheep Industry Board Annual Report 2009-2010

I. NARRATIVE

A. Creation of the Board

The Virginia Sheep Industry Board was brought about by producers seeking more funds for predator control. Members of the General Assembly were asked to appropriate additional finding for predator control above the level of \$35,000.00 annually. Legislators advised producers that if they could show some means of self-funding, the General Assembly may look more favorably upon their request. Predator problems have been one of the greatest causes of declining sheep numbers in Virginia. The National Agricultural Statistics Service (NASS) surveyed livestock producers and estimated 4,100 sheep were killed by coyotes in 1990. A similar survey estimated coyotes killed 700 calves in 1991. The value of sheep and calves reported killed by coyotes in these two surveys was estimated to be \$366,500.00. The Virginia Cooperative Coyote Damage Control Program administered by USDA-Animal Damage Control was started in 1990.

In 1995, members of the Virginia Sheep Federation petitioned legislators and the Virginia Sheep Industry Board Act was passed. The Act called for a 50 cents head check-off on all lambs and sheep sold beginning July 1, 1995 (also the current 2008-2009 excise rate). The Act provided for a Sheep Industry Referendum for producers to vote on the Act. This was completed on October 31, 1995 and 54% of eligible ballots favored "additional market development, predator control, research, education and promotion of the Virginia sheep industry, the creation of the Virginia Sheep Industry Board, and the levy of an assessment of fifty cents per head, with the Board retaining the authority to increase the assessment no more than ten cents per year, up to a maximum assessment of one dollar per head, for all sheep and lambs sold within the Commonwealth of Virginia."

The twelve member board includes nine sheep producers and three other appointees; one represents the packing/processing/retail segment of the industry, one represents the Virginia Livestock Markets Association, and one represents the purebred segment of the industry. In addition, the extension sheep specialist from Virginia Tech and the Commissioner of VDACS or his designee serves as a nonvoting member. The Board held its organizational meeting on August 28, 1996 and the first business meeting December 2, 1996.

B. Production Information:

Sheep and lamb numbers in Virginia totaled 89,000 head on January 1, 2010, up 14,000 head from last year. Ewes one year old and older totaled 55,000 head, up 7,000 from 2009. Replacement lambs totaled 12,000 head, up 1,000 from last year. Sheep and lambs on feed totaled 18,000 head, up 3,000 from 2009. Virginia was 26th among all states for total number of sheep.

II. Budget and Finances

FY 2009-2010 Budget

Meeting Expenses & Office Supplies	\$ 988.10
Promotional Items (ASI)	\$ 736.00
Sponsorships / Contests, etc.	<u>\$6,410.53</u>
Total	\$8,134.63

III. Board Funding Projects:

1. \$5,000 to USDA Wildlife Services to aid sheep producers in predator control efforts to reduce losses due to coyotes, dogs, and vultures.
2. \$1,000 to help sponsor the Virginia State Fair Junior Carcass Lamb Contest. ;~
3. \$410.53 to help sponsor the Shepherd's Symposium.
4. \$736 to purchase sheep and lamb promotional materials for the American Sheep Industry Association and American Lamb Board.

IV. Year End Funding Level

	Actual Expenditures
1 Cash Balance, June 30, 2008	\$24,618.43
2 Assessment Receipts 7/1/08 – 6/30/09 (+) (Amount of taxes collected)	\$11,097.58
3 Other Receipts 7/1/08 – 6/30/09 (+)	\$623.18
4 Total Balance & Receipts (1+2+3) (=)	<hr/> \$36,399.19
5 Deduct Total Act. Expenditures from VDACS Fin. Analysis (-)	\$8,134.63
6 Cash Balance, June 30, 2009 (=)	\$28,204.56

V. Board Meetings & Attendance Roster

Members	1/8/10 (Blacksburg)
Joe Andes	No
Janet Childs	No
Eric Crowgey	Yes
Robin Freeman	No
Sandy Hevener	No
Jerry McCammon	Yes
Kenneth Reynolds	Yes
Tracy Redifer	Yes
Martha Polkey	Yes
Mac Swortzel	Yes
Henry Tinder	Yes
Joe Meek	Yes

VI. Summary

Sheep producers have been active in securing more State and Federal funding for predator control. The State has been allocating \$125,000 annually (which is matched by USDA Wildlife Services) and Congressman Bob Goodlatte has secured an additional \$100,000 grant. These funds provide USDA personnel who assist livestock producers with predator problems. Due to budget cuts, state funding for 2009-2010 was eliminated. \$80,000 was restored for 2010-11.

Originally, nine of the Board members were the Presidents of the wool pools in Virginia. With a shrinking industry, one wool pool has dissolved. The legislation was changed by the General Assembly to have all members appointed by the Governor.

With fewer numbers of sheep and changes in marketing patterns (more sheep sold out of state) Board income has been greatly reduced. The past three year's income was about \$11,000 compared to \$26,000 six years ago.

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Mac Swortzel
Chairman