

## VIRGINIA STATE MILK COMMISSION

Electronic Meeting

Wednesday, December 13, 2023, at 1:30 p.m.

### AGENDA

This meeting is subject to the provisions of the Virginia State and Local Government Conflict of Interest Act (Va. Code § 2.2-3100 et seq.) and the Virginia Freedom of Information Act (Va. Code § 2.2-3700 et seq.). All Commission members have been trained on these laws and a copy of these laws has been provided and is available in each member's notebook. Should any member have a question regarding the application of these laws to Commission member's decorum, please ask for guidance.

1:30 PM	Call to Order	Chairperson
1:40 PM	<u>Routine Business</u>	
	A. Approval of November 1, 2023, minutes	Members
	B. Board Member remarks	Administrator
	C. Administrator's Report	
2:00 PM	<u>New Business</u>	
	A. Review and approve Presumed Delivery Cost Calculation (motion required)	Administrator
2:30 PM	<u>Other Business and Public Comment</u>	
	A. Public Comment	
	B. Schedule Next Meeting – February 21	
3:00 PM	Adjournment	Chairperson

## PUBLIC PARTICIPATION

Members of the public may listen to the meeting via the Microsoft Teams platform using the link, access code, and password below.

### Event address for attendee:

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_ODMxMmY2YzQtZjk5OS00NzFkLTgwYjMtNjdkyWQwNzE2N2Mx%40thread.v2/0?context=%7b%22Tid%22%3a%22620ae5a9-4ec1-4fa0-8641-5d9f386c7309%22%2c%22Oid%22%3a%2222173164-a845-477b-b253-56642adeeb5d%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODMxMmY2YzQtZjk5OS00NzFkLTgwYjMtNjdkyWQwNzE2N2Mx%40thread.v2/0?context=%7b%22Tid%22%3a%22620ae5a9-4ec1-4fa0-8641-5d9f386c7309%22%2c%22Oid%22%3a%2222173164-a845-477b-b253-56642adeeb5d%22%7d)

Event number (access code): 249 042 011 741  
Event password: 7TYAez

### To join the audio conference only:

Call the number below and enter the access code.

US Toll: (434) 230-0065  
Access Code: 273 440 024#

If you would like to comment during the public comment portion of the meeting, please sign up to do so using the Teams Q&A feature. Via the Q&A feature, send the Meeting Host your first and last name as well as the name of the organization, if any, on whose behalf you will be commenting (e.g., Joe Smith with ABC Organization). If you join the meeting using the audio conference only or are unable to locate the WebEx Q&A feature to sign up for the public comment portion of the meeting, please email your first and last name as well as the name of the organization, if any, on whose behalf you will be commenting to [nicolas.robichaud@vdacs.virginia.gov](mailto:nicolas.robichaud@vdacs.virginia.gov). During the public comment portion of the meeting, the Meeting Host will unmute your microphone and announce that it is your turn to comment. Please minimize the background noise at your location.

Should any interruption of the broadcast of this meeting occur, please call 804-786-3538 or email [nicolas.robichaud@vdacs.virginia.gov](mailto:nicolas.robichaud@vdacs.virginia.gov) to notify the agency. Any interruption in the broadcast of the meeting shall result in the suspension of action at the meeting until repairs are made and public access is restored.

**Announcement of Producer Class I Price at 3.5% Butterfat**

**December 2023**

	OCT 2023	NOV 2023	DEC 2023
<b>Eastern Market</b>			
Established Price	\$8.46	\$8.46	\$8.46
Add Adjustment (per §2VAC15-20-81)	\$17.34	\$17.51	\$17.52
<b>Eastern Market Class I Price (per cwt)</b>	<b>\$25.80</b>	<b>\$25.97</b>	<b>\$25.98</b>
Eastern Market Skim Price (per cwt)	15.4535	13.4645	14.1740
Eastern Market Butterfat Price (per lb)	3.1110	3.7088	3.5148
<b>Western Market</b>			
Established Price	\$8.16	\$8.16	\$8.16
Add Adjustment (per §2VAC15-20-81)	\$17.44	\$17.61	\$17.62
<b>Western Market Class I Price (per cwt)</b>	<b>\$25.60</b>	<b>\$25.77</b>	<b>\$25.78</b>
Western Market Skim Price (per cwt)	15.2535	13.2645	13.9740
Western Market Butterfat Price (per lb)	3.1090	3.7068	3.5128
<b>Southwestern Market</b>			
Established Price	\$7.96	\$7.96	\$7.96
Add Adjustment (per §2VAC15-20-81)	\$17.14	\$17.31	\$17.32
<b>Southwestern Market Class I Price (per cwt)</b>	<b>\$25.10</b>	<b>\$25.27</b>	<b>\$25.28</b>
Southwestern Market Skim Price (per cwt)	14.7535	12.7645	13.4740
Southwestern Market Butterfat Price (per lb)	3.1040	3.7018	3.5078

Class II Price Announcement Date	NOV 1, 2023	NOV 29, 2023	JAN 4, 2024
<b>Milk Commission Class II Price (per cwt)</b>	<b>\$21.95</b>		
Milk Commission Class II Skim Price (per cwt)	\$9.2500	\$9.4000	\$9.7800
Milk Commission Class II Butterfat Price (per lb)	3.7214		

Milk Commission Bi-Monthly Composite Index	424.8	424.1	423.7
Milk Commission Assessment Rate (per cwt)	0.03950	0.03950	0.03950
Federal Order Base Class I Price (per cwt)	\$19.47	\$19.75	\$19.76

Price Change from November 2023

	Class I (cwt)	Skim (cwt)	Butterfat (lb)
Eastern Market	▲ \$0.01	▲ \$0.71	▼ -\$0.1940
Western Market	▲ \$0.01	▲ \$0.71	▼ -\$0.1940
Southwestern Market	▲ \$0.01	▲ \$0.71	▼ -\$0.1940

**Next Class I Announcement: Dec. 20, 2023**

**Next Class II Announcement: Nov. 29, 2023**

Virginia Department of Agriculture and Consumer Services  
State Milk Commission

**Announcement of Producer Class I Price at 3.5% Butterfat**

**December 2023**

**Virginia State Milk Commission Skim and Butterfat Prices, 2023**

Month	Eastern Market		Western Market		Southwestern Market		Bi-Monthly Index
	Skim per cwt	Butterfat per pound	Skim per cwt	Butterfat per pound	Skim per cwt	Butterfat per pound	
January	17.1945	3.3414	16.9945	3.3394	16.9945	3.3394	431.2
February	17.2125	2.8573	17.0125	2.8553	17.0125	2.8553	429.1
March	15.6105	2.7834	15.4105	2.7814	15.4105	2.7814	427.1
April	15.7750	2.7829	15.5750	2.7809	15.5750	2.7809	424.8
May	16.5747	2.7669	16.3771	2.7650	16.3771	2.7650	424.6
June	14.7520	2.8015	14.5520	2.7995	14.5520	2.7995	422.2
July	13.9165	2.8361	13.7165	2.8341	13.7165	2.8341	417.7
August	13.2940	2.8173	13.0940	2.8153	13.0940	2.8153	415.1
September	14.9955	3.0806	14.7955	3.0786	14.7955	3.0786	419.3
October	15.4535	3.1110	15.2535	3.1090	15.2535	3.1090	424.8
November	13.4645	3.7088	13.2645	3.7068	13.2645	3.7068	424.1
December	14.1740	3.5148	13.9740	3.5128	13.4740	3.5078	423.7
<b>AVERAGE</b>	15.2014	3.0335	15.0016	3.0315	14.9600	3.0311	423.6

**Virginia State Milk Commission Skim and Butterfat Prices, 2022**

Month	Eastern Market		Western Market		Southwestern Market		Bi-Monthly Index
	Skim per cwt	Butterfat per pound	Skim per cwt	Butterfat per pound	Skim per cwt	Butterfat per pound	
January	17.6630	2.3205	17.4630	2.3185	17.4630	2.3185	374.4
February	17.9320	2.8086	17.7320	2.8066	17.7320	2.8066	381.6
March	18.3830	3.0387	18.1830	3.0367	18.1830	3.0367	390.1
April	19.5890	3.1659	19.3890	3.1639	19.3890	3.1639	400.0
May	20.5990	3.1934	20.3990	3.1914	20.3990	3.1914	410.8
June	21.2650	3.1289	21.0650	3.1269	21.0650	3.1269	423.3
July	20.2640	3.4105	20.0640	3.4085	20.0640	3.4085	433.6
August	19.3770	3.4449	19.1770	3.4429	19.1770	3.4429	436.5
September	17.6995	3.4764	17.4995	3.4744	17.4995	3.4744	432.8
October	16.2325	3.6234	16.0325	3.6214	16.0325	3.6214	429.8
November	17.2790	3.7339	17.0790	3.7319	17.0790	3.7319	431.6
December	17.2130	3.3522	17.0130	3.3502	17.0130	3.3502	433.0
<b>AVERAGE</b>	18.6247	3.2248	18.4247	3.2228	18.4247	3.2228	414.8

Prevailing Market	Bristol	Charleston	Raleigh	Winston-Salem	Washington, DC
Over Order Premium	\$2.16	\$2.29	\$2.29	\$2.29	\$2.16

**Next Class I Announcement: Dec. 20, 2023**

**Next Class II Announcement: Nov. 29, 2023**



**STATE MILK COMMISSION**  
*Crafton O. Wilkes, Administrator*

---

**Announcement of Producer Class II Price at 3.5% Butterfat**

**November 2023**

---

	SEP 2023	OCT 2023	NOV 2023
<b>State Milk Commission Class II Price (per cwt)</b>	\$19.98	\$21.95	<b>\$21.21</b>
Class II Skim Price (per cwt)	9.3400	9.2500	9.4000
Class II Butterfat Price (per lb)	3.1334	3.7214	3.4678

**November 2023 Highlights**

-The Class II price for November decreased from October by \$0.74 per cwt. The Class II Skim price increased by \$0.15 per cwt, and the Class II Butterfat price decreased by \$0.25 per lb.

---

**Next Announcement: Jan. 4, 2024**

**Virginia State Milk Commission**  
**Delivery Cost per Case Analysis**  
**2023 - Effective: Jan 1, 2024**

Summary	Year	Total Cases	Private Label	Net Cases	Distribution Expense	Dist. Exp. per Case	Variance (\$)	Variance (%)
	2022	6,311,378	4,305,414	2,005,964	\$4,236,909	\$2.112156	-\$0.007053	-0.3339%
	2023	6,344,734	4,423,195	1,921,538	\$4,045,035	\$2.105103		
	Cases per Delivery		2023 Delivery Percentage		2024 Delivery Percentage		Variance (\$)	Variance (%)
	0-13		66.84%		66.62%		-0.0022	-0.33%
14-99		33.42%		33.31%		-0.0011	-0.33%	
100+		18.07%		18.01%		-0.0006	-0.33%	

Eastern Market	Cases per Delivery	Product	Nov 23 Platform Cost	2023 Delivered Cost/Unit	2024 Delivered Cost/Unit	Variance (\$)
	<b>0-13</b>	HVD Gallon	\$2.959	\$4.938	\$4.931	-\$0.007
		2% Gallon	\$2.590	\$4.321	\$4.315	-\$0.006
		1% Gallon	\$2.302	\$3.841	\$3.835	-\$0.005
		Skim Gallon	\$2.167	\$3.615	\$3.610	-\$0.005
	<b>14-99</b>	HVD Gallon	\$2.959	\$3.948	\$3.945	-\$0.003
		2% Gallon	\$2.590	\$3.455	\$3.452	-\$0.003
		1% Gallon	\$2.302	\$3.071	\$3.069	-\$0.003
		Skim Gallon	\$2.167	\$2.891	\$2.889	-\$0.002
	<b>100+</b>	HVD Gallon	\$2.959	\$3.494	\$3.492	-\$0.002
		2% Gallon	\$2.590	\$3.058	\$3.056	-\$0.002
		1% Gallon	\$2.302	\$2.718	\$2.716	-\$0.001
		Skim Gallon	\$2.167	\$2.558	\$2.557	-\$0.001

Western Market	Cases per Delivery	Product	Nov 23 Platform Cost	2023 Delivered Cost/Unit	2024 Delivered Cost/Unit	Variance (\$)
	<b>0-13</b>	HVD Gallon	\$2.942	\$4.909	\$4.902	-\$0.007
		2% Gallon	\$2.572	\$4.292	\$4.286	-\$0.006
		1% Gallon	\$2.285	\$3.812	\$3.807	-\$0.005
		Skim Gallon	\$2.150	\$3.587	\$3.582	-\$0.005
	<b>14-99</b>	HVD Gallon	\$2.942	\$3.926	\$3.922	-\$0.003
		2% Gallon	\$2.572	\$3.432	\$3.429	-\$0.003
		1% Gallon	\$2.285	\$3.048	\$3.046	-\$0.003
		Skim Gallon	\$2.150	\$2.868	\$2.866	-\$0.002
	<b>100+</b>	HVD Gallon	\$2.942	\$3.474	\$3.472	-\$0.002
		2% Gallon	\$2.572	\$3.037	\$3.036	-\$0.002
		1% Gallon	\$2.285	\$2.697	\$2.696	-\$0.001
		Skim Gallon	\$2.150	\$2.538	\$2.537	-\$0.001

Southwestern Market	Cases per Delivery	Product	Nov 23 Platform Cost	2023 Delivered Cost/Unit	2024 Delivered Cost/Unit	Variance (\$)
	<b>0-13</b>	HVD Gallon	\$2.899	\$4.837	\$4.831	-\$0.006
		2% Gallon	\$2.529	\$4.220	\$4.214	-\$0.006
		1% Gallon	\$2.242	\$3.740	\$3.735	-\$0.005
		Skim Gallon	\$2.106	\$3.515	\$3.510	-\$0.005
	<b>14-99</b>	HVD Gallon	\$2.899	\$3.868	\$3.865	-\$0.003
		2% Gallon	\$2.529	\$3.375	\$3.372	-\$0.003
		1% Gallon	\$2.242	\$2.991	\$2.988	-\$0.003
		Skim Gallon	\$2.106	\$2.810	\$2.808	-\$0.002
	<b>100+</b>	HVD Gallon	\$2.899	\$3.423	\$3.421	-\$0.002
		2% Gallon	\$2.529	\$2.986	\$2.985	-\$0.002
		1% Gallon	\$2.242	\$2.647	\$2.645	-\$0.001
		Skim Gallon	\$2.106	\$2.487	\$2.486	-\$0.001

**Virginia State Milk Commission  
Base Assignment System  
December 2023**

	DFA SE	DFA NE	MDVA	CMPA	Land O'Lakes	Cumberland Valley	Mt. Joy	Lanco-Pennland	Cobblestone	Established Base Total
<b>Established 9-month Base</b>	26,884,177	294,715	20,993,557	13,854,208	1,755,779	257,104	121,889	3,239,310	1,791,255	69,191,994

Order	Distributor	DFA SE	DFA NE	MDVA	CMPA	Land O'Lakes	Cumberland Valley	Mt. Joy	Lanco-Pennland	Cobblestone	Total Base Assignment
5	Borden Dairy KY			415,324							415,324
1	Cloverland Farms Dairy	31,883									31,883
1	Crowley Foods	627,693									627,693
5	Dairy Fresh	5,379,008									5,379,008
1	Dutch Valley Foods					312,325					312,325
5	Maola High Point				2,901,875						2,901,875
5	Homestead Creamery			511,761							511,761
1	HP Hood	1,321,836		1,321,836		1,482,042					4,125,714
5	Land-O-Sun Spartanburg	278,535									278,535
1	Marva Maid Landover			9,017,724			262,755				9,280,479
5	Marva Maid Newport News	12,696,082		118,825	2,978,683				2,833,204		18,626,794
5	Mayfield	606,157									606,157
5	Milkco	635,476								1,830,623	2,466,099
33	Nestle	244,047									244,047
VA	Potomac Farms			147,769							147,769
7	Saputo - KY	228,923									228,923
1	Saputo - NY	162,013									162,013
33	Superior Dairy			1,748,071							1,748,071
1	Tuscan Lehigh Dairies	1,248,608	301,192					124,568			1,674,369
33	United Dairy	1,813,728			7,254,910						9,068,638
1	Upstate Niagara			567,502							567,502
1	Wawa Dairy								477,299		477,299
5	Westover Dairy			7,606,142							7,606,142
VA	White Wave Mt. Crawford				1,023,228						1,023,228
5	Winchester Farms	48,298									48,298
1	Dairy Maid	2,152,752									2,152,752
<b>TOTAL</b>		<b>27,475,038</b>	<b>301,192</b>	<b>21,454,954</b>	<b>14,158,696</b>	<b>1,794,368</b>	<b>262,755</b>	<b>124,568</b>	<b>3,310,504</b>	<b>1,830,623</b>	<b>70,712,697</b>

<b>9-month Base Minus Total</b>		<b>(0)</b>			<b>0</b>						<b>0</b>
---------------------------------	--	------------	--	--	----------	--	--	--	--	--	----------