

VIRGINIA STATE MILK COMMISSION

Farm Credit of the Virginias

Rear Conference Room, 4646 S Valley Pike, Harrisonburg, VA 22801

Wednesday, February 21, 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 December 13, 2023, meeting minutes		Members
	B. Board member remarks		Members
	C. Administrator's report		Administrator
2:00 PM	<u>New Business</u>		
	A. Producer base adjustment (motions required)	§ 2 VAC 15-20-40	Administrator
2:30 PM	<u>Other Business and Public Comment</u>		
	A. Public comment		Members
	B. Next meeting:		Members
3:00 PM	Adjournment		Chairperson

Announcement of Producer Class I Price at 3.5% Butterfat

February 2024

	DEC 2023	JAN 2024	FEB 2024
Eastern Market			
Established Price	\$8.46	\$8.46	\$8.46
Add Adjustment (per §2VAC15-20-81)	\$17.52	\$16.26	\$15.79
Eastern Market Class I Price (per cwt)	\$25.98	\$24.72	\$24.25
Eastern Market Skim Price (per cwt)	14.1740	14.4750	14.0090
Eastern Market Butterfat Price (per lb)	3.5148	3.0715	3.0661
Western Market			
Established Price	\$8.16	\$8.16	\$8.16
Add Adjustment (per §2VAC15-20-81)	\$17.62	\$16.36	\$15.89
Western Market Class I Price (per cwt)	\$25.78	\$24.52	\$24.05
Western Market Skim Price (per cwt)	13.9740	14.2750	13.8090
Western Market Butterfat Price (per lb)	3.5128	3.0695	3.0641
Southwestern Market			
Established Price	\$7.96	\$7.96	\$7.96
Add Adjustment (per §2VAC15-20-81)	\$17.32	\$16.06	\$15.59
Southwestern Market Class I Price (per cwt)	\$25.28	\$24.02	\$23.55
Southwestern Market Skim Price (per cwt)	13.4740	13.7750	13.3090
Southwestern Market Butterfat Price (per lb)	3.5078	3.0645	3.0591
Class II Price Announcement Date			
	JAN 4, 2024	JAN 31, 2024	FEB 28, 2024
Milk Commission Class II Price (per cwt)	\$19.88		
Milk Commission Class II Skim Price (per cwt)	\$9.7800	\$9.9500	\$9.9900
Milk Commission Class II Butterfat Price (per lb)	2.9848		
Milk Commission Bi-Monthly Composite Index			
	423.7	357.7	291.5
Milk Commission Assessment Rate (per cwt)			
	0.03950	0.03950	0.03950
Federal Order Base Class I Price (per cwt)			
	\$19.76	\$18.48	\$17.99

	Price Change from January 2024		
	Class I (cwt)	Skim (cwt)	Butterfat (lb)
Eastern Market	▼ -\$0.47	▼ -\$0.47	▼ -\$0.0054
Western Market	▼ -\$0.47	▼ -\$0.47	▼ -\$0.0054
Southwestern Market	▼ -\$0.47	▼ -\$0.47	▼ -\$0.0054

Next Class I Announcement: Feb. 22, 2024

Next Class II Announcement: Jan. 31, 2024



STATE MILK COMMISSION
Crafton O. Wilkes, Administrator

Announcement of Producer Class II Price at 3.5% Butterfat

January 2024

	NOV 2023	DEC 2023	JAN 2024
State Milk Commission Class II Price (per cwt)	\$21.21	\$19.88	\$20.04
Class II Skim Price (per cwt)	9.4000	9.7800	9.9500
Class II Butterfat Price (per lb)	3.4678	2.9848	2.9835

January 2024 Highlights

-The Class II price for January increased over December by \$0.16 per cwt. The Class II Skim price increased by \$0.17 per cwt, and the Class II Butterfat price decreased by \$0.00 per lb.

Next Announcement: Feb. 28, 2024

**Commonwealth of Virginia
State Milk Commission
102 Governor Street, Room 206, Richmond, VA 23219**

MEMORANDUM

Date: February 1, 2024
 To: Milk Commission Board
 From:
 Subject: March 1, 2024 Established Bases

The following calculations as of February 1 are necessary for the Commission to approve the March 1 established producer bases as required by regulation.

	Current Year	Previous Year
	2023	2022
2023 9-month base	565,278,859	576,847,055
Average 9-month sales	62,808,762	64,094,117
Average 9-month sales x 1.08%	67,833,463	69,221,647
9-month established base as of February 1, 2024	69,191,994	69,114,310
2022 Base recovered	264,720	347,121
2023 Base loss	189,770	269,437
TOTAL	69,266,944	69,191,994
NECESSARY DECREASE	-1,433,481	29,653

Ratio to sales (Current 9-month established base total / Average 9-month sales)	110.0695%	107.9571%
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2023 3-month sales	174,159,068	178,057,523
Average 3-month sales	58,053,023	59,352,508
Average 3-month sales x 1.08%	62,697,265	64,100,708

3-month ratio to sales (Average 9-month sales / Average 3-month sales)	92%	93%
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2023 Base loss	189,770
Base recovered from 2022 base loss of 269,437	264,720
Base lost, never to be recovered	4,717

**Virginia State Milk Commission
March 1, 2023 Established Base**

	9-Month Base as of Feb. 1	2022 Base Recovered	2023 Base Loss	March 1, 2024 9-Month Base
Cobblestone	1,791,255			1,791,255
Cooperative Milk Producers Assoc.	13,784,927	28,951	158,230	13,655,648
Cumberland Valley Milk Producers Assoc.	257,104			257,104
Dairy Farmers of America - Northeast	330,952			330,952
Dairy Farmers of America - Southeast	26,884,177	148,487	9,045	27,023,619
Lanco-Pennland Quality Milk Producers	3,249,310			3,249,310
Land-O-Lakes, Inc.	1,778,823			1,778,823
Maryland & Virginia Milk Producers Assoc.	20,993,557	87,282	22,495	21,058,344
Mount Joy Farmers Cooperative	121,889			121,889
				0
Total	69,191,994	264,720	189,770	69,266,944

Scenario 1		<==== Commission Motion ====>	Scenario 2*	
Adjust the bare minimum			Adjust a different amount	
Adjustment:	-2.0695%		Adjustment:	-5.0000%
Base	Difference		Base	Difference
1,754,185	-37,070	Cobblestone	1,701,692	-89,563
13,373,044	-282,604	Cooperative Milk Producers Assoc.	12,972,866	-682,782
251,783	-5,321	Cumberland Valley Milk Producers Assoc.	244,249	-12,855
324,103	-6,849	Dairy Farmers of America - Northeast	314,404	-16,548
26,464,365	-559,254	Dairy Farmers of America - Southeast	25,672,438	-1,351,181
3,182,065	-67,245	Lanco-Pennland Quality Milk Producers	3,086,845	-162,465
1,742,010	-36,813	Land-O-Lakes, Inc.	1,689,882	-88,941
20,622,541	-435,803	Maryland & Virginia Milk Producers Assoc.	20,005,427	-1,052,917
119,367	-2,522	Mount Joy Farmers Cooperative	115,795	-6,094
67,833,463	-1,433,481	Total	65,803,598	-3,463,346

*The percentage used should not be construed as a suggestion

**Virginia State Milk Commission
Base Assignment System
January 2024**

	DFA SE	DFA NE	MDVA	CMPA	Land O'Lakes	Cumberland Valley	Mt. Joy	Lanco-Pennland	Cobblestone	Established Base Total
Established 9-month Base	26,884,177	294,715	20,993,557	13,844,208	1,755,779	257,104	121,889	3,249,310	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			411,350							411,350
1	Cloverland Farms Dairy	31,327									31,327
1	Crowley Foods	616,330									616,330
5	Dairy Fresh	5,531,014									5,531,014
1	Dutch Valley Foods					321,950					321,950
5	Maola High Point				2,868,005						2,868,005
5	Homestead Creamery			546,306							546,306
1	HP Hood	1,484,114		1,484,114		1,465,869					4,434,097
5	Land-O-Sun Spartanburg	198,175									198,175
1	Marva Maid Landover			8,909,452			261,796				9,171,247
5	Marva Maid Newport News	12,854,641		124,196	3,658,124				2,757,854		19,394,814
5	Mayfield	573,943									573,943
5	Milkco	384,209								1,823,942	2,208,151
33	Nestle	215,007									215,007
VA	Potomac Farms			137,631							137,631
7	Saputo - KY	222,665									222,665
1	Saputo - NY	171,904									171,904
33	Superior Dairy			1,740,912							1,740,912
1	Tuscan Lehigh Dairies	1,155,682	300,093					124,113			1,579,888
33	United Dairy	1,650,009			6,600,035						8,250,044
1	Upstate Niagara			637,465							637,465
1	Wawa Dairy								550,750		550,750
5	Westover Dairy			7,385,225							7,385,225
VA	White Wave Mt. Crawford				970,675						970,675
5	Winchester Farms	61,475									61,475
1	Dairy Maid	2,224,268									2,224,268
TOTAL		27,374,764	300,093	21,376,651	14,096,840	1,787,819	261,796	124,113	3,308,604	1,823,942	70,454,622

9-month Base Minus Total	0									
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Virginia State Milk Commission
Base Assignment System
January 2024
CORRECTION 0104-06

	DFA SE	DFA NE	MDVA	CMPA	Land O'Lakes	Cumberland Valley	Mt. Joy	Lanco-Pennland	Cobblestone	Established Base Total
Established 9-month Base	26,884,177	294,715	20,993,557	13,844,208	1,755,779	257,104	121,889	3,249,310	1,791,255	69,191,994
Corrected 9-month Base	26,884,177	313,418	20,993,557	13,802,461	1,778,823	257,104	121,889	3,249,310	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			411,350							411,350
1	Cloverland Farms Dairy	31,327									31,327
1	Crowley Foods	616,330									616,330
5	Dairy Fresh	5,531,014									5,531,014
1	Dutch Valley Foods					321,950					321,950
5	Maola High Point				2,868,005						2,868,005
5	Homestead Creamery			546,306							546,306
1	HP Hood	1,472,382		1,472,382		1,489,334					4,434,097
5	Land-O-Sun Spartanburg	198,175									198,175
1	Marva Maid Landover			8,909,452			261,796				9,171,247
5	Marva Maid Newport News	12,885,417		135,928	3,615,615				2,757,854		19,394,814
5	Mayfield	573,943									573,943
5	Milkco	384,209								1,823,942	2,208,151
33	Nestle	215,007									215,007
VA	Potomac Farms			137,631							137,631
7	Saputo - KY	222,665									222,665
1	Saputo - NY	171,904									171,904
33	Superior Dairy			1,740,912							1,740,912
1	Tuscan Lehigh Dairies	1,136,638	319,137					124,113			1,579,888
33	United Dairy	1,650,009			6,600,035						8,250,044
1	Upstate Niagara			637,465							637,465
1	Wawa Dairy								550,750		550,750
5	Westover Dairy			7,385,225							7,385,225
VA	White Wave Mt. Crawford				970,675						970,675
5	Winchester Farms	61,475									61,475
1	Dairy Maid	2,224,268									2,224,268
TOTAL		27,374,764	319,137	21,376,651	14,054,331	1,811,283	261,796	124,113	3,308,604	1,823,942	70,454,622

9-month Base Minus Total					0	0
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**Virginia State Milk Commission
Base Assignment System
February 2024**

	DFA SE	DFA NE	MDVA	CMPA	Land O'Lakes	Cumberland Valley	Mt. Joy	Lanco-Pennland	Cobblestone	Established Base Total
Established 9-month Base	26,884,177	330,952	20,993,557	13,784,927	1,778,823	257,104	121,889	3,249,310	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			238,333							238,333
1	Cloverland Farms Dairy	19,873									19,873
1	Crowley Foods	573,532									573,532
5	Dairy Fresh	5,163,703									5,163,703
1	Dutch Valley Foods					302,497					302,497
5	Maola High Point				2,668,796						2,668,796
5	Homestead Creamery			520,329							520,329
1	HP Hood	1,574,796		1,574,796		1,391,930					4,541,522
5	Land-O-Sun Spartanburg	118,645									118,645
1	Marva Maid Landover			8,551,560			244,906				8,796,465
5	Marva Maid Newport News	12,236,080		111,089	3,193,644				2,614,290		18,155,102
5	Mayfield	478,047									478,047
5	Milkco	70,590								1,706,268	1,776,859
33	Nestle	193,446									193,446
VA	Potomac Farms			106,634							106,634
7	Saputo - KY	204,642									204,642
1	Saputo - NY	155,937									155,937
33	Superior Dairy			1,694,862							1,694,862
1	Tuscan Lehigh Dairies	1,123,134	315,250					116,106			1,554,490
33	United Dairy	1,572,384			6,289,534						7,861,918
1	Upstate Niagara			621,784							621,784
1	Wawa Dairy								480,855		480,855
5	Westover Dairy			6,578,126							6,578,126
VA	White Wave Mt. Crawford				978,924						978,924
5	Winchester Farms	65,087									65,087
1	Dairy Maid	2,058,754									2,058,754
TOTAL		25,608,650	315,250	19,997,512	13,130,898	1,694,426	244,906	116,106	3,095,146	1,706,268	65,909,162

9-month Base Minus Total	0			0						(0)
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