

COMMISSION MEETING HELD FEBRUARY 12, 2003

Minutes of the meeting of the Commission held in Richmond Office, 10th Floor Conference Room, Richmond, Virginia.

THE COMMISSION:

PRESENT: Ms. Ursula Edmonds, Commissioner; Mr. James Townsend, Chairperson; Ms. Judith Motley, Commissioner; Mr. John Gillam, Commissioner; Kimberly Bridges, Commissioner; Mr. Edward C. Wilson, Jr., Deputy Administrator; Mr. Rodney L. Phillips, Administrator, Carolyn Wells, Agency Administrative Assistant; Michael Myatt, Cooperative Milk Producers Association; Mike Todd, Dairy Farmers of America and Allen O'Hara, Maryland Virginia Milk Producers.

James Townsend, Chairperson called the meeting to order at 10:30 a.m.

James Townsend introduced Kimberly Bridges, one of the new Commissioners.

Mr. Townsend asked for a motion to accept the minutes from the previous meeting. John Gillam moved and Ursula Edmonds seconded the motion. The minutes were accepted as written.

The Deputy Administrator gave a review of Class I sales summary and adjacent market prices. (see pages

The Administrator presented and discussed the 2003 base allotments. Having considered all factors relative to the establishment of the 2003 base allotments, upon a motion by John Gillam and seconded by Ursula Edmonds, the Commission approved to established bases for 2003 at 76,103,534 pounds (in accordance with 2 VAC 15-20-40. A1-5), in that the 2003 bases do not exceed 1.08% of the average monthly pounds of Class I sales, with the exception of those producers who loss base or recovered base during the base-adjusting period of September, October and November 2002. The bases of existing producers will be adjusted on March 1, 2003, to include base loss and base recovered. The total base recovered from the 2002 base adjusting period was 141,614 and the total base loss due to failure to produce sufficient production during 2002 base-adjusting period was 488,444 pounds. The base recovered and base loss will bring the total established 2003 base to 102.123119% of the preceding year's average 9 month Class I sales, in the amount of 74,521,357 pounds. The amount of base for the months of June, July and August shall be equal to 94% of the established base for the remaining months of the year. The 2003 base allotments, in total by cooperatives, as listed below, are therefore established for the existing baseholding producers, effective March 1, 2003:

	<u>2003 Base</u>
	<u>9 Month</u>
Cooperative Milk Producers Association	14,995,403
Cumberland Valley M.P.A.	180,900
Dairy Farmers of America, Inc.-Southeast	37,642,349
Dairy Farmers of America, Inc. – Northeast	560,843
Independent	96,033
Land O'Lakes, Inc.	867,013
Maryland & Virginia Milk Producers Association	21,642,824
Mount Joy	<u>118,169</u>
	76,103,534

The Deputy Administrator reviewed the Regulatory Review. The regulations to be reviewed is the Public Participation /Guidelines 2 VAC 15-11 and the Regulations for the Control and Supervision of Virginia's Milk Industry 2 VAC 15-20. Judith Motley made a motion to proceed with the review and Ursula Edmonds seconded the motion, the motion carried.

The Administrator discussed audit adjustments. He stated that the adjustments reflect audit findings disclosed through examinations of licensed distributors for periods indicated.

There was no public comment.

The next Commission Meeting will be held May 21, 2003 at the Department of Agriculture & Consumer Services, 1100 Bank Street, Second Floor Board Room #204. The meeting will begin at 10:00 and recess at 10:30 for a public hearing at 10:45.

Ursula Edmonds made a motion to adjourn the meeting, seconded by John Gillam. The motion carried.

Chairperson

Administrator