



AGENDA

California Avocado Commission
Board of Directors Meeting

Meeting Information

Date: February 20, 2025

Time: 8:00 a.m.

Location: Hybrid Meeting

Physical Meeting Location:

Hilton Garden Inn

28210 Jefferson Ave.

Temecula, CA 92590

Web/Teleconference URL:

<https://californiaavocado.zoom.us/j/87361986721?pwd=aPc01aoKkU423x3sKjLYEvli4uugb1.1>

Conference Call Number: (669) 900-6833

Meeting ID: 873 6198 6721

Passcode: 732027

Meeting materials will be posted online at least 24 hours prior to the meeting at:

<https://www.californiaavocadogrowers.com/commission/meeting-agendas-minutes>

Board Member and Alternate Attendance

As of Friday, February 14, 2025, the following individuals have advised the Commission they will participate in this meeting:

Victor Araiza, *Member*

John Berns, *Alternate*

Jason Cole, *Member*

Maddie Cook, *Alternate*

Maureen Cottingham, *Member*

John Dmytriw, *Member*

Rob Grether, *Member*

Robert Jackson, *Member*

James Johnson, *Member*

Ohannes Karaoghlanian, *Member*

Rachael Laenen, *Member*

Hayden McIntyre, *Alternate*

Daryn Miller, *Member*

Peter Shore, *Member*

Al Stehly, *Member*

Tina Wolfert, *Alternate*

Time	Item
8:00 a.m.	<ol style="list-style-type: none"> <li data-bbox="342 121 584 157">1. Call to Order <ol style="list-style-type: none"> <li data-bbox="440 163 743 199">a. Roll Call/Quorum <li data-bbox="440 205 682 241">b. Introductions <li data-bbox="342 277 1421 399">2. Opportunity for Public Comment Any person may address the Board at this time on any subject within the jurisdiction of the California Avocado Commission.
	<ol style="list-style-type: none"> <li data-bbox="342 434 1510 945">3. Consent Calendar Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately. <ol style="list-style-type: none"> <li data-bbox="440 646 1497 724">a. Consider approval of Board of Director’s meeting minutes of December 17, 2024 <li data-bbox="440 730 841 766">b. 2024-25 Financial update <li data-bbox="440 772 1497 892">c. Consider approval of CAC as provider of Avocado Inspection Program administrative services for the CDFA for the period from July 2025 through June 2026 <li data-bbox="440 898 1096 934">d. Consider Approval of Indirect Costs Policy <li data-bbox="342 970 1510 1050">4. Consider appointment of District 1 alternate member to fill existing vacancy, term ending October 31, 2025 <li data-bbox="342 1085 1510 1165">5. Consider appointment of District 5 alternate member to fill existing vacancy, term ending October 31, 2025 <li data-bbox="342 1201 1477 1281">6. Consider appointment of handler alternate to fill existing vacancy for term ending October 31, 2025 <li data-bbox="342 1316 1458 1396">7. Consider recommendation of public member for term ending October 31, 2026 <li data-bbox="342 1432 1334 1543">8. Treasurer’s Report <ol style="list-style-type: none"> <li data-bbox="440 1467 1291 1503">a. Report on February 18, 2025 Finance Committee meeting <li data-bbox="440 1509 1334 1543">b. Consider acceptance of 2023-24 audited financial statements <li data-bbox="342 1579 1507 1873">9. Industry Affairs/Operations <ol style="list-style-type: none"> <li data-bbox="440 1623 857 1659">a. USDA Mexico inspections <li data-bbox="440 1665 1453 1743">b. Consider proposal “Surveys for avocado fruit feeding insect pests in Guatemala” <li data-bbox="440 1749 1507 1873">c. Consider proposal “Chemical Synthesis and Field Evaluation of an Enantiopure (+)-Grandisol, the Putative Avocado Seed Weevil (<i>Heilipus lauri</i>) Aggregation Pheromone”

Time	Item
	<ul style="list-style-type: none"> d. Consider proposal "Delimiting cryptic species within avocado seed moth, <i>Stenoma catenifer</i> for improved management and control of an economically important pest" e. Hass Avocado Board assessment rate f. Commission office lease
	10. Marketing
	11. Consider approval of HAB BOLD Candidate Sponsorships
	12. Chairman's Report
	<ul style="list-style-type: none"> a. Other/new business
12:00 p.m.	13. Adjourn Meeting

Disclosures

The times listed for each agenda item are estimated and subject to change. It is possible that some of the agenda items may not be able to be discussed prior to adjournment. Consequently, those items will be rescheduled to appear on a subsequent agenda. All meetings of the California Avocado Commission are open to the public and subject to the Bagley-Keene Open Meeting Act.

All agenda items are subject to discussion and possible action. For more information, or to make a request regarding a disability-related modification or accommodation for the meeting, please contact April Aymami at 949-341-1955, California Avocado Commission, 12 Mauchly, Suite L, Irvine, CA 92618, or via email at aaymami@avocado.org. Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. For individuals with sensory disabilities, this document is available in Braille, large print, audiocassette or computer disk. This meeting schedule notice and agenda is available on the internet at <https://www.californiaavocadogrowers.com/commission/meeting-agendas-minutes> and <http://it.cdfa.ca.gov/igov/postings/detail.aspx?type=Notices>.

If you have questions on the above agenda, please contact April Aymami at aaymami@avocado.org or 949-341-1955.

Summary Definition of Conflict of Interest

It is each member's and alternate's responsibility to determine whether they have a conflict of interest and whether they should excuse themselves from a particular discussion or vote during a meeting. To assist you in this evaluation, the following *Summary Definition of Conflict of Interest* may be helpful.

A Commission *member or employee* has a conflict of interest in a decision of the Commission if it is reasonably foreseeable that the decision will have a material effect, financial or otherwise, on the member or employee or a member of his or her immediate family that is distinguishable from its effect on all persons subject to the Commission's jurisdiction.

No Commission member or employee shall make, or participate in making, any decision in which he or she knows or should know he or she has a conflict of interest.

No Commission member or employee shall, in any way, use his or her position to influence any decision in which he or she knows or should know he or she has a conflict of interest.



BOARD ACTION

ITEM 3.a: Consider approval of Board of Director's meeting minutes of December 17, 2024

SUMMARY:

The minutes of the Board of Directors' regular meeting of December 17, 2024 are attached for the Board's review and approval.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Adopt minutes as presented
- Amend minutes
- Take no action

STAFF RECOMMENDATION:

- Approve minutes as presented

EXHIBITS / ATTACHMENTS:

- Minutes of the Board of Directors' regular meeting of December 17, 2024

**CALIFORNIA AVOCADO COMMISSION
BOARD MEETING MINUTES
December 17, 2024**

A meeting of the California Avocado Commission (CAC) Board was held on Tuesday, December 17, 2024 with the following people present:

MEMBERS PRESENT

Victor Araiza
Jason Cole
Maureen Cottingham
Rob Grether
Robert Jackson
Ohannes Karaoghlanian
Rachael Laenen
Daryn Miller
Peter Shore
Al Stehly

ALTERNATES PRESENT

John Berns
Maddie Cook
Tina Wolford

MEMBERS ABSENT

Quinn Cotter
John Dmytriw
James Johnson

ALTERNATES ABSENT

Hayden McIntyre

OFFICIALLY PRESENT

Victoria Carpenter, *USDA*
Ben Kardokus, *CDFA*
George Soares, *Kahn, Soares & Conway, LLP*

STAFF PRESENT

April Aymami
Zac Benedict
Dave Cruz
Stacia Kierulff
Ken Melban
Terry Splane
Cristina Wede

GUESTS PRESENT

Connorr
Dan Coxe
Paula Coxe
Jon Golinger
John McGuigan
Tim Spann

ITEM #1 CALL TO ORDER

Roll Call/Quorum – Item 1.a.

Jason Cole, CAC chairman, called the meeting to order at 11:13 a.m. with a quorum present.

Introductions

April Aymami, CAC director of industry affairs and operations, announced the United States Department of Agriculture (USDA), CDFA, CAC staff, CAC agency personnel and known guests participating in the meeting. She asked for all other guests to announce themselves and recorded all participants in attendance.

ITEM # 2 OPPORTUNITY FOR PUBLIC COMMENT

Robert Jackson, CAC Board member, commented on a webinar recently held for the victims of the Mountain Fire noting the material provided was well done and hit the high points.

Rachael Laenen, CAC Board member, commented that she participated in the webinar to share the experiences from those that have been through a fire in the past, and to aid those that are going through it now.

ITEM # 3 CONSENT CALENDAR

1. Mr. Cole introduced the consent calendar items and asked for questions or comments.

Hearing no further comments, the following motion was put forward:

MOTION: The CAC Board of Directors approves the Consent Calendar, Items 3.a through 3.c as presented.
(Jackson/Grether) MSC Unanimous

MOTION 24-12-17-1

The Consent Calendar is included in the December 2024 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Items 3.a through 3.c.

ITEM #4 OPERATIONS UPDATE

Ken Melban, CAC vice president of industry affairs and operations, gave a few updates to the Board. He stated that the Executive Committee met earlier in the day and was given an update on the CAC office situation with the potential to close the Irvine office. The financial implications for this were discussed and CAC operating expenses would be significantly decreased without the overhead of a physical office location.

Mr. Melban also provided an update on the Guatemala work plan. He received a response letter from the USDA which will be attached to the meeting minutes. He stated that there is a call scheduled with USDA Under Secretary of Agriculture, Jenny Moffitt, with the intent to try to get a sense of what the department is contemplating. CAC's goal is to stop any additional work on the work plan until the new U.S. Administration is in place.

John Berns, CAC Board alternate member, who also serves as CAC's alternate member on the Hass Avocado Committee, provided a report on recent HAB meetings. Mr. Berns read his letter out loud to the Board. His letter will be attached to the meeting minutes. Mr. Berns also commented on the HAB BOLD program and asked John McGuigan from HAB to say a few words about the program.

John McGuigan, HAB director of industry affairs, commented that there are several CAC representatives currently sitting on the CAC Board that have been through the BOLD program. He stated that with this current graduating class, HAB will have put fifty industry members through the BOLD program in four years, with seventeen alumni currently sitting on association boards.

Mr. Melban commented on the Commission's funding streams from HAB and CAC assessments. He reminded the Board that funds collected through HAB are restricted to only marketing. Mr. Melban noted that an increase in the HAB assessment would result in an overall increase to California growers, unless a reduction was made to the CAC assessment, which is the only source of funding for the Commission's non-marketing programs and operational expenses.

The USDA Response Letter is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

The HAC Director's Report on HAB Meetings, by John Berns is attached to the permanent copy of these Minutes and identified as EXHIBIT C.

ITEM #5 REPORT ON POLICY TASK FORCE MEETING

Consider Proposal from Foley & Lardner LLP regarding Wildfire Tax Relief – Item 5.a.

Mr. Cole commented on the Policy Task Force and Executive Committee meetings. He stated that the Executive Committee considered two proposals from potential lobbyists on issues brought forth from Policy Task Force members. The first proposal was from Foley & Lardner LLP regarding wildfire tax relief. He stated that there is a wildfire bill that has been in the queue for several years but then merged into a wildfire tax relief bill. The bill passed the House and moved to the Senate with support. CAC Board member Rachael Laenen met Foley & Lardner in October and learned of the success they had working at the federal level for United Water. As Chairman, Mr. Cole made the executive decision to utilize existing budgets to engage Foley & Lardner LLP on a month-to-month contract in the hopes of changing language in the tax bill to

broaden the definition of individuals eligible for relief to also include growers' whose operations are established as corporations, partnership, etc. The language was not changed before it became law, so the Executive Committee agreed to allow the current contract with Foley & Lardner to expire on January 6, 2025. CAC staff will continue to identify ways to collaborate on this issue and the Task Force will reconvene after the first of the year. Mr. Cole stated further discussion and potential action on this item would be tabled until after the next Task Force meeting and no action was taken.

The *Proposal from Foley & Lardner LLP* is included in the December 2024 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Items 5.a.

Consider Proposal to Retain Ballard Partners, Inc. – Item 5.b.

Ms. Laenen reported on the CAC Policy Task Force discussions regarding work to delay the finalization of the Operational Work Plan between USDA and NPPO of Guatemala, as well as work to have the inspections in Mexico return to previous levels of USDA oversight. Ballard Partners provided the Task Force a presentation on who they are and what connections they have to assist CAC on these issues. The Task Force was impressed with what they heard from Ballard Partners and put forth their proposal for consideration by the Executive Committee. Ms. Laenen stated the Executive Committee recommended that the Ballard Partners, Inc. proposal be brought to the Board for consideration. Ms. Laenen reminded the Board that any funds used toward lobbying efforts will need to come out of the CAC assessment funds. She commented that the consensus of the Task Force and the Executive Committee was that there was no better place that CAC should be spending their money, than trying to safeguard the future of the industry.

There was Board discussion on the scope and focus of what CAC would like to achieve using Ballard Partners and other projects that they can assist in.

Mr. Cole asked if there were any other comments. Hearing none, the following motion was put forward:

MOTION:

The CAC Board of Directors approves the proposal to retain Ballard Partners, Inc. recommended by the CAC Policy Task Force as presented.

(Jackson/Araiza) MSC Unanimous

MOTION 24-12-17-2

The *Proposal to Retain Ballard Partners, Inc.* is included in the December 2024 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Items 5.b.

ITEM #6 CONSIDER APPROVAL OF INCREMENTAL MARKETING BUDGET

Mr. Cole reminded the Board that this item was discussed at the last meeting as part of the consumer tracking study results, which indicated a decrease in consumer preference and awareness this past year. The Board directed the marketing team to come back with different options on an incremental increase in spending to address the consumer preference and awareness issue.

Terry Splane, CAC vice president of marketing, discussed what is happening in the consumer market regarding preference and awareness of California avocados. He presented two slides explaining the trend comparisons for investment on awareness and preference. Mr. Splane discussed the consumer advertising budget, consumer public relations and the consumer marketing total as it relates to the 2024 California Avocado Tracking Study for unaided and total awareness and preference. He also explained the investment options that the marketing team

had developed, noting that the investment amounts proposed were just examples for consideration.

The Board discussed the investment options presented by the marketing team, the importance of preference, next year's crop and the plan for using the funds. After further discussion, the Board consensus was to approve option B with an investment amount of \$1.25 million.

Mr. Cole asked if there were any other comments. Hearing none, the following motion was put forward:

MOTION:

***The CAC Board of Directors approves the incremental marketing budget investment level in the amount of \$1,250,000 as presented.
(Grether/Karaoghlanian) MSC Unanimous***

MOTION 24-12-17-3

The Incremental Marketing Budget Presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT D.

ADJOURN MEETING

Mr. Cole adjourned the meeting at 12:27 p.m. The next regularly scheduled Board meeting will be held on February 20, 2025.

Respectfully submitted,

Stacia Kierulff, CAC Human Resource Manager

I certify that the above is a true statement of the Minutes of December 17, 2024 approved by the CAC Board of Directors on February 20, 2025.

Victor Araiza, CAC Board Secretary

EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES

EXHIBIT A December 2025 Board Packet
EXHIBIT B USDA Response Letter
EXHIBIT C Letter from John Berns
EXHIBIT D Incremental Marketing Budget Presentation
EXHIBIT E December 17, 2024 Board Meeting AB 2720 Roll Call Vote Tally Summary



CALIFORNIA AVOCADO COMMISSION
AB 2720 Roll Call Vote Tally Summary
To be attached to the Meeting Minutes

Meeting Name: <i>California Avocado Commission Regular Board Meeting</i>	Meeting Location: <i>Hybrid In-Person – Oxnard Online - Zoom</i>	Meeting Date: <i>December 17, 2024</i>
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<i>Attendees Who Voted</i>	<u><i>MOTION 24-12-17-1</i></u>	<u><i>MOTION 24-12-17-2</i></u>	<u><i>MOTION 24-12-17-3</i></u>
Al Stehly	Yea	Yea	
Robert Jackson	Yea	Yea	Yea
Tina Wolford			Yea
Victor Araiza	Yea	Yea	
Ohannes Karaoghlanian	Yea	Yea	Yea
Rob Grether	Yea	Yea	Yea
Maureen Cottingham	Yea	Yea	Yea
Jason Cole	Did Not Vote	Did Not Vote	Did Not Vote
Rachael Laenen	Yea	Yea	Yea
Daryn Miller	Yea	Yea	Yea
Peter Shore	Yea	Yea	Yea
Maddie Cook	Yea	Yea	Yea
<i>Outcome</i>	Unanimous	Unanimous	Unanimous



BOARD INFORMATION

ITEM 3.b: 2024-25 FINANCIAL UPDATES

SUMMARY:

Attached are CAC's financial statements through the month ending December 31, 2024 as prepared by management. The reports include CAC statement of financial position, statement of activity and year-to-date actual versus budget comparisons.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Information item only

STAFF RECOMMENDATION:

- Not applicable

EXHIBITS / ATTACHMENTS:

- Financial Statements through the month ending December 31, 2024
- 2024-25 Pounds & Dollars by Variety Report (November 2024 through December 2024)

California Avocado Commission

Statement of Financial Position

As of December 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10001-000 Petty Cash	0.00
10010-000 BMO Checking (5241) - CAC	4,962,219.18
10110-000 BMO Money Market (5407) - CAC	10,512,532.50
10210-000 Cash - LAIF - CAC	11,194.94
Total Bank Accounts	\$15,485,946.62
Accounts Receivable	
12901-000 Misc Receivables (A/R)	16,147.90
Total Accounts Receivable	\$16,147.90
Other Current Assets	
11001-000 CAC Assessment Receivable	200.00
11002-000 HAB Assessment Receivable	0.00
12004-000 Due from Avocado Inspection Program	736.37
12701-000 Grant Receivable	131,461.19
12801-000 Voluntary Life Benefit Receivable	0.00
13001-000 Prepaid Deposits	11,352.50
13002-000 Prepaid Expenses	77,013.97
Misc Receivable (old non-AR)	0.00
Total Other Current Assets	\$220,764.03
Total Current Assets	\$15,722,858.55
Fixed Assets	
15001-000 Furniture	26,160.00
15002-000 Accumulated Depreciation-Furniture	-26,160.00
15101-000 Office Equipment	61,002.24
15102-000 Accumulated Depreciation-Office Equip.	-61,002.24
15301-000 Software	15,021.62
15302-000 Accumulated Depreciation-Software	-15,021.62
15401-000 Land Improvements	108,558.63
15402-000 Accumulated Depreciation-Land Improvements	-108,558.63
Total Fixed Assets	\$0.00
Other Assets	
16001-000 Mauchly Office Lease	634,984.73
16002-000 Mauchly Amortization	-520,489.08
16003-000 Pine Tree Lease	117,984.95
16004-000 Pine Tree Amortization	-17,697.76
16101-000 Quadiant Capital Lease	3,435.74
16102-000 Quadiant Amortization	-2,907.18
16103-000 CBE 2020 Sharp Capital Lease	0.00
16104-000 CBE 2020 Sharp Amortization	0.00
16105-000 CBE 2022 Sharp Capital Lease	13,543.55
16106-000 CBE 2022 Sharp Amortization	-7,480.35
16107-000 CBE 2020 Ricoh Capital Lease	0.00

	TOTAL
16108-000 CBE 2020 Ricoh Amortization	0.00
16109-000 CBE 2022 Ricoh Capital Lease	13,652.62
16110-000 CBE 2022 Ricoh Amortization	-8,343.27
17000-000 Merchandise Shop Inventory	0.00
Total Other Assets	\$226,683.95
TOTAL ASSETS	\$15,949,542.50
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20001-000 Accounts Payable (A/P)	316,245.32
Total Accounts Payable	\$316,245.32
Other Current Liabilities	
20002-000 Accounts Payable - Clearing	0.00
20009-000 Miscellaneous Payable	0.00
20101-000 Accrued Expenses	111,488.01
21011-000 Section 125 Payable	0.00
21021-000 Vacation Payable - Short Term	63,635.49
21031-000 Deferred Compensation Payable	0.00
24001-000 ST Lease Liability - LACA1	122,546.32
24002-000 ST Lease Liability - CAPO1	20,661.23
24101-000 ST Lease Liability - MAF11	547.81
24102-000 ST Lease Liability - CBE 2020 Sharp	0.00
24103-000 ST Lease Liability - CBE 2022 Sharp	5,364.87
24104-000 ST Lease Liability - CBE 2020 Ricoh	0.00
24105-000 ST Lease Liability - CBE 2022 Ricoh	4,743.87
Total Other Current Liabilities	\$328,987.60
Total Current Liabilities	\$645,232.92
Long-Term Liabilities	
28011-000 LT Lease Liability - CAPO1	83,088.76
28110-000 LT Lease Liability - MAF11	0.00
28111-000 LT Lease Liability - LACA1	0.00
28112-000 LT Lease Liability - CBE 2022 Sharp	914.52
28114-000 LT Lease Liability - CBE 2022 Ricoh	772.74
Total Long-Term Liabilities	\$84,776.02
Total Liabilities	\$730,008.94
Equity	
32000-000 Retained Earnings	13,095,466.33
32010-000 Net Assets	0.00
32011-000 Net Assets-Restricted for Marketing	3,829,020.20
32012-000 Net Assets-Invested in Leased Assets	-135,026.88
32013-000 Net Assets-Unrestricted	-700,162.66
Total 32010-000 Net Assets	2,993,830.66
Net Revenue	-869,763.43
Total Equity	\$15,219,533.56
TOTAL LIABILITIES AND EQUITY	\$15,949,542.50

California Avocado Commission

Statement of Activity

November - December, 2024

	RESTRICTED	UNRESTRICTED	TOTAL
Revenue			
40001-000 CAC Assessment Revenue-Current Year		443.67	\$443.67
40002-000 CAC Assessment Revenue-Prior Year		8.12	\$8.12
40011-000 HAB Rebate Assess. Revenue-Current Year	0.00		\$0.00
40012-000 HAB Rebate Assess. Revenue-Prior Year	0.00		\$0.00
48001-000 Interest Income		3,480.23	\$3,480.23
48003-000 Other - Pine Tree Ranch Crop Income		29.66	\$29.66
48009-000 Other Income - Misc		150.00	\$150.00
Total Revenue	\$0.00	\$4,111.68	\$4,111.68
GROSS PROFIT	\$0.00	\$4,111.68	\$4,111.68
Expenditures			
50000-000 Marketing			\$0.00
51000-000 Consumer Marketing			\$0.00
51001-072 Media Planning & Buying-Curious Plot	9,965.00		\$9,965.00
51002-072 Creative Strategy, Content & Production-Curious Plot	21,728.25		\$21,728.25
51004-072 Consumer Marketing-Retail-Curious Plot	4,825.00	10,553.77	\$15,378.77
51801-072 Account Administration-Curious Plot	38,391.25	92.50	\$38,483.75
54001-072 Consumer PR-Curious Plot	14,080.00		\$14,080.00
55101-072 Consumer Email Marketing-Curious Plot	21,401.25		\$21,401.25
55103-072 Social Media & Content Marketing-Curious Plot		22,626.24	\$22,626.24
Total 51000-000 Consumer Marketing	110,390.75	33,272.51	\$143,663.26
52000-000 Trade - Retail			\$0.00
52000-001 Trade Relations			\$0.00
52002-066 Trade Advertising-Production-Fusion	3,228.96		\$3,228.96
52022-000 Dues	2,379.10		\$2,379.10
52042-000 Conventions		11.39	\$11.39
52052-081 Program Admin/Strategy/Planning-PJ/PR	2,857.20		\$2,857.20
52055-081 Key Account Marketing Communications-Fees-PJ/PR		50,976.40	\$50,976.40
52058-081 Retailer/Immersive Experiences-Expenses-PJ/PR	4,285.72		\$4,285.72
52071-075 Key Account Coverage-TX/MW/SE-Anderson	19,166.00		\$19,166.00
52075-013 Key Account Coverage-SW/NW-Becker	28,000.00		\$28,000.00
Total 52000-001 Trade Relations	59,916.98	50,987.79	\$110,904.77
52010-000 Retail & Consumer Promotions			\$0.00
52016-000 Recipe Development	0.00		\$0.00
52124-000 Retail Performance Programs-Retail Promotions	0.00		\$0.00
52125-000 Retail Brand Awareness Programs	-45,000.00		\$ -45,000.00
52128-066 Retail Trade Promotions-Fusion	8,982.78		\$8,982.78
52303-000 Storage/Fulfillment	2,290.00		\$2,290.00
Total 52010-000 Retail & Consumer Promotions	-33,727.22		\$ -33,727.22
52200-000 Data, Research & Analysis			\$0.00
52204-066 Data Analysis & Retail Research-FUSION		22,714.81	\$22,714.81
52206-086 Inventory Reporting-AVMA		450.00	\$450.00
52211-066 California Avocado Market Analysis-Fusion	10,938.97		\$10,938.97
52213-066 Retail Support, Consultation, Planning, Program & Data Admin-Fusion	5,588.84		\$5,588.84

	RESTRICTED	UNRESTRICTED	TOTAL
Total 52200-000 Data, Research & Analysis	16,527.81	23,164.81	\$39,692.62
52400-000 Administration & Other			\$0.00
52140-098 Grower Communications-GingerRoot		1,180.00	\$1,180.00
52401-004 Travel Expenses - Splane	337.20		\$337.20
52401-019 Travel Expenses - Marketing Staff	241.96		\$241.96
52411-000 Office Expenses - Marketing	2,599.18	196.62	\$2,795.80
Total 52400-000 Administration & Other	3,178.34	1,376.62	\$4,554.96
Total 52000-000 Trade - Retail	45,895.91	75,529.22	\$121,425.13
53000-000 Trade - Foodservice			\$0.00
53001-070 Media-KC	750.00		\$750.00
53002-070 Production-KC	13,032.04		\$13,032.04
53101-070 Public Relations-KC	12,194.54		\$12,194.54
53103-070 Foodservice Events-KC	858.01		\$858.01
53104-070 Chain Promotions-KC	750.00	2,850.00	\$3,600.00
53105-070 Culinary Education Program-KC	200.00		\$200.00
53801-070 Program Administration Fees-KC	9,500.00		\$9,500.00
53802-070 Program Administration Expenses-KC	736.55		\$736.55
Total 53000-000 Trade - Foodservice	38,021.14	2,850.00	\$40,871.14
59000-000 Marketing Activities Support			\$0.00
51803-067 Marketing Planning/Special Projects-RoMo		11,000.00	\$11,000.00
51805-000 Marketing Personnel Expense	116,849.22		\$116,849.22
Total 59000-000 Marketing Activities Support	116,849.22	11,000.00	\$127,849.22
Total 50000-000 Marketing	311,157.02	122,651.73	\$433,808.75
64000-000 Industry Affairs			\$0.00
64000-001 Industry Statistics and Information			\$0.00
64001-000 AMRIC Operation		685.86	\$685.86
64001-130 AMRIC Operation-Hooman Mohammadpour		1,800.00	\$1,800.00
64002-104 Crop Forecasting And Analysis-Land IQ		38,287.50	\$38,287.50
64004-104 Grove ID GIS Project Dmnt-Land IQ		1,546.25	\$1,546.25
Total 64000-001 Industry Statistics and Information		42,319.61	\$42,319.61
64100-000 Grower Communications			\$0.00
64105-000 Online Information		160.64	\$160.64
64105-098 Online Information-GingerRoot		1,900.00	\$1,900.00
64106-000 Publications		115.90	\$115.90
64106-085 Publications-Fox Wthr		220.00	\$220.00
64106-098 Publications-GingerRoot		1,120.00	\$1,120.00
64106-118 Publications-Champ		18.26	\$18.26
64108-098 Annual Report-GingerRoot		120.00	\$120.00
Total 64100-000 Grower Communications		3,654.80	\$3,654.80
64200-000 Issues Management			\$0.00
64204-000 Research Program Coordination & Outreach		17,901.82	\$17,901.82
64206-000 Legislative & Regulatory Advocacy		46,812.50	\$46,812.50
Total 64200-000 Issues Management		64,714.32	\$64,714.32
64300-000 Legal & Governance			\$0.00
64302-000 Legal Support		27,299.00	\$27,299.00
Total 64300-000 Legal & Governance		27,299.00	\$27,299.00
64400-000 Demonstration Grove			\$0.00
64401-000 Pine Tree - Rent		0.00	\$0.00
64402-000 Pine Tree - Grove Management		5,169.57	\$5,169.57

	RESTRICTED	UNRESTRICTED	TOTAL
64403-000 Pine Tree - Utilities		-1,747.41	\$ -1,747.41
64404-000 Pine Tree - Property Tax & Insurance		96.63	\$96.63
Total 64400-000 Demonstration Grove		3,518.79	\$3,518.79
64500-000 Education & Outreach			\$0.00
64502-000 Pine Tree Ranch Field Days		100.08	\$100.08
Total 64500-000 Education & Outreach		100.08	\$100.08
64800-000 Other Industry Affairs			\$0.00
64801-000 Coalition Dues, Sponsorships , Registrations & Rep		10,000.00	\$10,000.00
64801-086 Industry Reports-AVMA		80.00	\$80.00
64803-000 Travel Expenses - Industry Affairs		1,937.22	\$1,937.22
64804-000 Office Expenses - Industry Affairs		109.94	\$109.94
64901-000 Misc IA Exps (Theft Reward)		5.53	\$5.53
Total 64800-000 Other Industry Affairs		12,132.69	\$12,132.69
Total 64000-000 Industry Affairs		153,739.29	\$153,739.29
65000-000 Production Research			\$0.00
65200-000 Breeding, Varieties & Genetics			\$0.00
65216-000 Commercial-Scale Field Testing of Advanced Rootstock		0.00	\$0.00
Total 65200-000 Breeding, Varieties & Genetics		0.00	\$0.00
Total 65000-000 Production Research		0.00	\$0.00
66010-000 Grant Programs			\$0.00
66015-000 Export Marketing			\$0.00
66021-000 USDA Grant - FAS MAP China		39,787.99	\$39,787.99
Total 66015-000 Export Marketing		39,787.99	\$39,787.99
Total 66010-000 Grant Programs		39,787.99	\$39,787.99
70000-000 Operations			\$0.00
71100-000 Office Expense			\$0.00
71101-000 Office Rent - CAC Mauchly, Irvine		0.00	\$0.00
71102-000 Rent-CAM, Ins, Prop Tax		5,218.74	\$5,218.74
71104-000 Rent-Offsite Storage		1,660.00	\$1,660.00
71111-000 Insurance-Liability		6,545.20	\$6,545.20
71121-000 Office Expenses - Operations		659.76	\$659.76
71122-000 Office Supplies		68.57	\$68.57
71123-000 Janitorial		1,101.87	\$1,101.87
71131-000 Office Utilities		1,652.13	\$1,652.13
71141-000 Bank & Payroll Fees		989.96	\$989.96
71151-000 Equipment Maintenance & Expense		1,461.11	\$1,461.11
71161-000 Telephone		1,368.90	\$1,368.90
71162-000 Employee Communication Expense		2,400.00	\$2,400.00
Total 71100-000 Office Expense		23,126.24	\$23,126.24
71200-000 Professional Fees			\$0.00
71203-000 CPA-Assessment Audits		0.00	\$0.00
71211-000 Calif. Department of Food & Ag.-CDFA		12,476.21	\$12,476.21
71221-000 Dept. of Ag-USDA/AMS		9,448.33	\$9,448.33
71236-000 Outsourced Accounting		21,649.98	\$21,649.98
78301-000 Pension Adm & Legal		1,853.92	\$1,853.92
Total 71200-000 Professional Fees		45,428.44	\$45,428.44
71300-000 Personnel Expenses			\$0.00
71301-000 Salaries/Wages			\$0.00
71302-000 Salaries/Wages - IA & Ops		90,635.49	\$90,635.49

	RESTRICTED	UNRESTRICTED	TOTAL
71303-000 Salaries/Wages - Marketing		15,974.10	\$15,974.10
Total 71301-000 Salaries/Wages		106,609.59	\$106,609.59
71311-000 Pension Expense			\$0.00
71312-000 Pension Expense - IA & Ops		10,048.68	\$10,048.68
71313-000 Pension Expense - Marketing		1,774.90	\$1,774.90
Total 71311-000 Pension Expense		11,823.58	\$11,823.58
71321-000 Payroll Tax & Work Comp			\$0.00
71322-000 Payroll Tax & Work Comp - IA & Ops		4,458.33	\$4,458.33
71323-000 Payroll Tax & Work Comp - Marketing		867.27	\$867.27
Total 71321-000 Payroll Tax & Work Comp		5,325.60	\$5,325.60
71331-000 Benefits		0.00	\$0.00
71332-000 Benefits - IA & Ops		13,719.06	\$13,719.06
71333-000 Benefits - Marketing		2,241.98	\$2,241.98
Total 71331-000 Benefits		15,961.04	\$15,961.04
Total 71300-000 Personnel Expenses		139,719.81	\$139,719.81
71400-000 Commissioner Expenses			\$0.00
71403-000 Travel Expenses - Board Members		30.55	\$30.55
71404-000 Board Meeting Expenses		881.39	\$881.39
Total 71400-000 Commissioner Expenses		911.94	\$911.94
73000-000 Information Technology			\$0.00
73001-000 Network Maintenance		2,880.79	\$2,880.79
73002-000 Network Hardware, Software & Licenses		583.97	\$583.97
73003-000 IT Support & Consulting		3,015.50	\$3,015.50
73004-000 Accounting & Assessment System		1,577.62	\$1,577.62
73005-000 IT Services		1,640.00	\$1,640.00
Total 73000-000 Information Technology		9,697.88	\$9,697.88
78000-000 Depreciation, Interest & Other Operations			\$0.00
79001-000 Amortization Expense		26,551.07	\$26,551.07
79100-000 Interest Expense		1,103.70	\$1,103.70
Total 78000-000 Depreciation, Interest & Other Operations		27,654.77	\$27,654.77
Total 70000-000 Operations		246,539.08	\$246,539.08
Total Expenditures	\$311,157.02	\$562,718.09	\$873,875.11
NET OPERATING REVENUE	\$ -311,157.02	\$ -558,606.41	\$ -869,763.43
NET REVENUE	\$ -311,157.02	\$ -558,606.41	\$ -869,763.43

**California Avocado Commission
Budget vs. Actuals - CAC FY25 Budget Amend #1
November - December, 2024**

	Restricted				Unrestricted				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Revenue												
40001-000 CAC Assessment Revenue-Current Year		0.00	0.00		443.67	430.00	13.67	103.18%	443.67	430.00	13.67	103.18%
40002-000 CAC Assessment Revenue-Prior Year		0.00	0.00		8.12	0.00	8.12		8.12	0.00	8.12	
40011-000 HAB Rebate Assess. Revenue-Current Year	0.00	800.00	-800.00	0.00%		0.00	0.00		0.00	800.00	-800.00	0.00%
42001-000 Accounting/Administration Fee Revenue (AIP)		0.00	0.00			10,166.00	-10,166.00	0.00%	0.00	10,166.00	-10,166.00	0.00%
48001-000 Interest Income		0.00	0.00		3,480.23	1,000.00	2,480.23	348.02%	3,480.23	1,000.00	2,480.23	348.02%
48003-000 Other - Pine Tree Ranch Crop Income		0.00	0.00		29.66	0.00	29.66		29.66	0.00	29.66	
48009-000 Other Income - Misc			0.00		150.00	0.00	150.00		150.00	0.00	150.00	
Total Revenue	\$ 0.00	\$ 800.00	-\$ 800.00	0.00%	\$ 4,111.68	\$ 11,596.00	-\$ 7,484.32	35.46%	\$ 4,111.68	\$ 12,396.00	-\$ 8,284.32	33.17%
Gross Profit	\$ 0.00	\$ 800.00	-\$ 800.00	0.00%	\$ 4,111.68	\$ 11,596.00	-\$ 7,484.32	35.46%	\$ 4,111.68	\$ 12,396.00	-\$ 8,284.32	33.17%
Expenditures												
50000-000 Marketing			0.00			0.00	0.00		0.00	0.00	0.00	
51000-000 Consumer Marketing			0.00			0.00	0.00		0.00	0.00	0.00	
51001-072 Media Planning & Buying-Curious Plot	9,965.00	10,000.00	-35.00	99.65%		0.00	0.00		9,965.00	10,000.00	-35.00	99.65%
51002-072 Creative Strategy, Content & Production-Curious Plot	21,728.25	35,000.00	-13,271.75	62.08%		0.00	0.00		21,728.25	35,000.00	-13,271.75	62.08%
51004-072 Consumer Marketing-Retail-Curious Plot	4,825.00	11,000.00	-6,175.00	43.86%	10,553.77	27,500.00	-16,946.23	38.38%	15,378.77	38,500.00	-23,121.23	39.94%
51801-072 Account Administration-Curious Plot	38,391.25	35,000.00	3,391.25	109.69%	92.50	0.00	92.50		38,483.75	35,000.00	3,483.75	109.95%
54001-072 Consumer PR-Curious Plot	14,080.00	31,250.00	-17,170.00	45.06%		0.00	0.00		14,080.00	31,250.00	-17,170.00	45.06%
55101-072 Consumer Email Marketing-Curious Plot	21,401.25	39,260.00	-17,858.75	54.51%		0.00	0.00		21,401.25	39,260.00	-17,858.75	54.51%
55103-072 Social Media & Content Marketing-Curious Plot			0.00		22,626.24	22,000.00	626.24	102.85%	22,626.24	22,000.00	626.24	102.85%
Total 51000-000 Consumer Marketing	\$ 110,390.75	\$ 161,510.00	-\$ 51,119.25	68.35%	\$ 33,272.51	\$ 49,500.00	-\$ 16,227.49	67.22%	\$ 143,663.26	\$ 211,010.00	-\$ 67,346.74	68.08%
52000-000 Trade - Retail			0.00			0.00	0.00		0.00	0.00	0.00	
52000-001 Trade Relations			0.00				0.00		0.00	0.00	0.00	
52002-066 Trade Advertising-Production-Fusion	3,228.96	13,700.00	-10,471.04	23.57%		0.00	0.00		3,228.96	13,700.00	-10,471.04	23.57%
52022-000 Dues	2,379.10	0.00	2,379.10			0.00	0.00		2,379.10	0.00	2,379.10	
52042-000 Conventions		0.00	0.00		11.39	0.00	11.39		11.39	0.00	11.39	
52052-081 Program Admin/Strategy/Planning-PJ/PR	2,857.20	2,858.00	-0.80	99.97%		0.00	0.00		2,857.20	2,858.00	-0.80	99.97%
52055-081 Key Account Marketing Communications-Fees-PJ/PR			0.00		50,976.40	50,976.00	0.40	100.00%	50,976.40	50,976.00	0.40	100.00%
52058-000 Retailer/Immersive Experiences-Expenses		4,286.00	-4,286.00	0.00%		0.00	0.00		0.00	4,286.00	-4,286.00	0.00%
52058-081 Retailer/Immersive Experiences-Expenses-PJ/PR	4,285.72	4,286.00	-0.28	99.99%		0.00	0.00		4,285.72	4,286.00	-0.28	99.99%
52071-075 Key Account Coverage-TX/MW/SE-Anderson	19,166.00	19,166.00	0.00	100.00%		0.00	0.00		19,166.00	19,166.00	0.00	100.00%
52075-013 Key Account Coverage-SW/NW-Becker	28,000.00	28,000.00	0.00	100.00%		0.00	0.00		28,000.00	28,000.00	0.00	100.00%
Total 52000-001 Trade Relations	\$ 59,916.98	\$ 72,296.00	-\$ 12,379.02	82.88%	\$ 50,987.79	\$ 50,976.00	\$ 11.79	100.02%	\$ 110,904.77	\$ 123,272.00	-\$ 12,367.23	89.97%
52010-000 Retail & Consumer Promotions			0.00				0.00		0.00	0.00	0.00	
52125-000 Retail Brand Awareness Programs	-45,000.00	0.00	-45,000.00			0.00	0.00		-45,000.00	0.00	-45,000.00	
52128-066 Retail Trade Promotions-Fusion	8,982.78	8,700.00	282.78	103.25%			0.00		8,982.78	8,700.00	282.78	103.25%
52303-000 Storage/Fulfillment	2,290.00	2,400.00	-110.00	95.42%		0.00	0.00		2,290.00	2,400.00	-110.00	95.42%
Total 52010-000 Retail & Consumer Promotions	-\$ 33,727.22	\$ 11,100.00	-\$ 44,827.22	-303.85%	\$ 0.00	\$ 0.00	\$ 0.00		-\$ 33,727.22	\$ 11,100.00	-\$ 44,827.22	-303.85%
52200-000 Data, Research & Analysis			0.00				0.00		0.00	0.00	0.00	
52202-000 Retail POS Scan Data-Circana			0.00			15,500.00	-15,500.00	0.00%	0.00	15,500.00	-15,500.00	0.00%
52204-066 Data Analysis & Retail Research-FUSION			0.00		22,714.81	3,800.00	18,914.81	597.76%	22,714.81	3,800.00	18,914.81	597.76%
52206-086 Inventory Reporting-AVMA			0.00		450.00	450.00	0.00	100.00%	450.00	450.00	0.00	100.00%
52211-066 California Avocado Market Analysis-Fusion	10,938.97	11,600.00	-661.03	94.30%		0.00	0.00		10,938.97	11,600.00	-661.03	94.30%
52213-066 Retail Support, Consultation, Planning, Program & Data Admin-Fusion	5,588.84	3,900.00	1,688.84	143.30%		0.00	0.00		5,588.84	3,900.00	1,688.84	143.30%
Total 52200-000 Data, Research & Analysis	\$ 16,527.81	\$ 15,500.00	\$ 1,027.81	106.63%	\$ 23,164.81	\$ 19,750.00	\$ 3,414.81	117.29%	\$ 39,692.62	\$ 35,250.00	\$ 4,442.62	112.60%

California Avocado Commission
Budget vs. Actuals - CAC FY25 Budget Amend #1
November - December, 2024

	Restricted				Unrestricted				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
52400-000 Administration & Other			0.00				0.00		0.00	0.00	0.00	
52140-098 Grower Communications-GingerRoot			0.00		1,180.00	1,140.00	40.00	103.51%	1,180.00	1,140.00	40.00	103.51%
52401-004 Travel Expenses - Splane	337.20	500.00	-162.80	67.44%			0.00		337.20	500.00	-162.80	67.44%
52401-019 Travel Expenses - Marketing Staff	241.96	1,600.00	-1,358.04	15.12%			0.00		241.96	1,600.00	-1,358.04	15.12%
52411-000 Office Expenses - Marketing	2,599.18	1,000.00	1,599.18	259.92%	196.62	0.00	196.62		2,795.80	1,000.00	1,795.80	279.58%
Total 52400-000 Administration & Other	\$ 3,178.34	\$ 3,100.00	\$ 78.34	102.53%	\$ 1,376.62	\$ 1,140.00	\$ 236.62	120.76%	\$ 4,554.96	\$ 4,240.00	\$ 314.96	107.43%
Total 52000-000 Trade - Retail	\$ 45,895.91	\$ 101,996.00	-\$ 56,100.09	45.00%	\$ 75,529.22	\$ 71,866.00	\$ 3,663.22	105.10%	\$ 121,425.13	\$ 173,862.00	-\$ 52,436.87	69.84%
53000-000 Trade - Foodservice			0.00				0.00		0.00	0.00	0.00	
53001-070 Media-KC	750.00	1,500.00	-750.00	50.00%			0.00		750.00	1,500.00	-750.00	50.00%
53002-070 Production-KC	13,032.04	17,100.00	-4,067.96	76.21%			0.00		13,032.04	17,100.00	-4,067.96	76.21%
53101-070 Public Relations-KC	12,194.54	25,800.00	-13,605.46	47.27%		0.00	0.00		12,194.54	25,800.00	-13,605.46	47.27%
53103-070 Foodservice Events-KC	858.01	23,000.00	-22,141.99	3.73%		0.00	0.00		858.01	23,000.00	-22,141.99	3.73%
53104-070 Chain Promotions-KC	750.00	0.00	750.00		2,850.00	7,000.00	-4,150.00	40.71%	3,600.00	7,000.00	-3,400.00	51.43%
53105-070 Culinary Education Program-KC	200.00	300.00	-100.00	66.67%		0.00	0.00		200.00	300.00	-100.00	66.67%
53801-070 Program Administration Fees-KC	9,500.00	6,400.00	3,100.00	148.44%		0.00	0.00		9,500.00	6,400.00	3,100.00	148.44%
53802-070 Program Administration Expenses-KC	736.55	500.00	236.55	147.31%		0.00	0.00		736.55	500.00	236.55	147.31%
Total 53000-000 Trade - Foodservice	\$ 38,021.14	\$ 74,600.00	-\$ 36,578.86	50.97%	\$ 2,850.00	\$ 7,000.00	-\$ 4,150.00	40.71%	\$ 40,871.14	\$ 81,600.00	-\$ 40,728.86	50.09%
59000-000 Marketing Activities Support			0.00				0.00		0.00	0.00	0.00	
51003-000 Buy California Marketing Agreement		4,168.00	-4,168.00	0.00%		0.00	0.00		0.00	4,168.00	-4,168.00	0.00%
51803-067 Marketing Planning/Special Projects-RoMo		0.00	0.00		11,000.00	11,000.00	0.00	100.00%	11,000.00	11,000.00	0.00	100.00%
51805-000 Marketing Personnel Expense	116,849.22	132,000.00	-15,150.78	88.52%			0.00		116,849.22	132,000.00	-15,150.78	88.52%
Total 59000-000 Marketing Activities Support	\$ 116,849.22	\$ 136,168.00	-\$ 19,318.78	85.81%	\$ 11,000.00	\$ 11,000.00	\$ 0.00	100.00%	\$ 127,849.22	\$ 147,168.00	-\$ 19,318.78	86.87%
Total 50000-000 Marketing	\$ 311,157.02	\$ 474,274.00	-\$ 163,116.98	65.61%	\$ 122,651.73	\$ 139,366.00	-\$ 16,714.27	88.01%	\$ 433,808.75	\$ 613,640.00	-\$ 179,831.25	70.69%
64000-000 Industry Affairs			0.00				0.00		0.00	0.00	0.00	
64000-001 Industry Statistics and Information		0.00	0.00				0.00		0.00	0.00	0.00	
64001-000 AMRIC Operation		0.00	0.00		685.86	600.00	85.86	114.31%	685.86	600.00	85.86	114.31%
64001-130 AMRIC Operation-Hooman Mohammadpour		0.00	0.00		1,800.00	2,000.00	-200.00	90.00%	1,800.00	2,000.00	-200.00	90.00%
64002-104 Crop Forecasting And Analysis-Land IQ		0.00	0.00		38,287.50	38,288.00	-0.50	100.00%	38,287.50	38,288.00	-0.50	100.00%
64004-104 Grove ID GIS Project Dmnt-Land IQ		0.00	0.00		1,546.25	0.00	1,546.25		1,546.25	0.00	1,546.25	
Total 64000-001 Industry Statistics and Information	\$ 0.00	\$ 0.00	\$ 0.00		\$ 42,319.61	\$ 40,888.00	\$ 1,431.61	103.50%	\$ 42,319.61	\$ 40,888.00	\$ 1,431.61	103.50%
64100-000 Grower Communications		0.00	0.00				0.00		0.00	0.00	0.00	
64105-000 Online Information		0.00	0.00		160.64	200.00	-39.36	80.32%	160.64	200.00	-39.36	80.32%
64105-098 Online Information-GingerRoot		0.00	0.00		1,900.00	3,300.00	-1,400.00	57.58%	1,900.00	3,300.00	-1,400.00	57.58%
64106-000 Publications		0.00	0.00		115.90	200.00	-84.10	57.95%	115.90	200.00	-84.10	57.95%
64106-085 Publications-Fox Wthr		0.00	0.00		220.00	220.00	0.00	100.00%	220.00	220.00	0.00	100.00%
64106-098 Publications-GingerRoot		0.00	0.00		1,120.00	2,500.00	-1,380.00	44.80%	1,120.00	2,500.00	-1,380.00	44.80%
64106-118 Publications-Champ		0.00	0.00		18.26	0.00	18.26		18.26	0.00	18.26	
64108-098 Annual Report-GingerRoot		0.00	0.00		120.00	0.00	120.00		120.00	0.00	120.00	
Total 64100-000 Grower Communications	\$ 0.00	\$ 0.00	\$ 0.00		\$ 3,654.80	\$ 6,420.00	-\$ 2,765.20	56.93%	\$ 3,654.80	\$ 6,420.00	-\$ 2,765.20	56.93%
64200-000 Issues Management			0.00				0.00		0.00	0.00	0.00	
64204-000 Research Program Coordination & Outreach		0.00	0.00		17,901.82	18,000.00	-98.18	99.45%	17,901.82	18,000.00	-98.18	99.45%
64206-000 Legislative & Regulatory Advocacy		0.00	0.00		46,812.50	47,000.00	-187.50	99.60%	46,812.50	47,000.00	-187.50	99.60%
Total 64200-000 Issues Management	\$ 0.00	\$ 0.00	\$ 0.00		\$ 64,714.32	\$ 65,000.00	-\$ 285.68	99.56%	\$ 64,714.32	\$ 65,000.00	-\$ 285.68	99.56%
64300-000 Legal & Governance			0.00				0.00		0.00	0.00	0.00	
64302-000 Legal Support		0.00	0.00		27,299.00	25,000.00	2,299.00	109.20%	27,299.00	25,000.00	2,299.00	109.20%
Total 64300-000 Legal & Governance	\$ 0.00	\$ 0.00	\$ 0.00		\$ 27,299.00	\$ 25,000.00	\$ 2,299.00	109.20%	\$ 27,299.00	\$ 25,000.00	\$ 2,299.00	109.20%

**California Avocado Commission
Budget vs. Actuals - CAC FY25 Budget Amend #1
November - December, 2024**

	Restricted				Unrestricted				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
64400-000 Demonstration Grove			0.00				0.00		0.00	0.00	0.00	
64401-000 Pine Tree - Rent		0.00	0.00		0.00	4,150.00	-4,150.00	0.00%	0.00	4,150.00	-4,150.00	0.00%
64402-000 Pine Tree - Grove Management		0.00	0.00		5,169.57	3,000.00	2,169.57	172.32%	5,169.57	3,000.00	2,169.57	172.32%
64403-000 Pine Tree - Utilities		0.00	0.00		-1,747.41	900.00	-2,647.41	-194.16%	-1,747.41	900.00	-2,647.41	-194.16%
64404-000 Pine Tree - Property Tax & Insurance		0.00	0.00		96.63	426.00	-329.37	22.68%	96.63	426.00	-329.37	22.68%
Total 64400-000 Demonstration Grove	\$ 0.00	\$ 0.00	\$ 0.00		\$ 3,518.79	\$ 8,476.00	-\$ 4,957.21	41.51%	\$ 3,518.79	\$ 8,476.00	-\$ 4,957.21	41.51%
64500-000 Education & Outreach			0.00				0.00		0.00	0.00	0.00	
64502-000 Pine Tree Ranch Field Days		0.00	0.00		100.08	100.00	0.08	100.08%	100.08	100.00	0.08	100.08%
Total 64500-000 Education & Outreach	\$ 0.00	\$ 0.00	\$ 0.00		\$ 100.08	\$ 100.00	\$ 0.08	100.08%	\$ 100.08	\$ 100.00	\$ 0.08	100.08%
64800-000 Other Industry Affairs			0.00				0.00		0.00	0.00	0.00	
64801-000 Coalition Dues, Sponsorships , Registrations & Rep		0.00	0.00		10,000.00	12,500.00	-2,500.00	80.00%	10,000.00	12,500.00	-2,500.00	80.00%
64801-086 Industry Reports-AVMA		0.00	0.00		80.00	80.00	0.00	100.00%	80.00	80.00	0.00	100.00%
64803-000 Travel Expenses - Industry Affairs		0.00	0.00		1,937.22	7,500.00	-5,562.78	25.83%	1,937.22	7,500.00	-5,562.78	25.83%
64804-000 Office Expenses - Industry Affairs		0.00	0.00		109.94	420.00	-310.06	26.18%	109.94	420.00	-310.06	26.18%
64901-000 Misc IA Exps (Theft Reward)		0.00	0.00		5.53	100.00	-94.47	5.53%	5.53	100.00	-94.47	5.53%
Total 64800-000 Other Industry Affairs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 12,132.69	\$ 20,600.00	-\$ 8,467.31	58.90%	\$ 12,132.69	\$ 20,600.00	-\$ 8,467.31	58.90%
Total 64000-000 Industry Affairs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 153,739.29	\$ 166,484.00	-\$ 12,744.71	92.34%	\$ 153,739.29	\$ 166,484.00	-\$ 12,744.71	92.34%
66010-000 Grant Programs			0.00				0.00		0.00	0.00	0.00	
66015-000 Export Marketing			0.00				0.00		0.00	0.00	0.00	
66021-000 USDA Grant - FAS MAP China		0.00	0.00		39,787.99	0.00	39,787.99		39,787.99	0.00	39,787.99	
Total 66015-000 Export Marketing	\$ 0.00	\$ 0.00	\$ 0.00		\$ 39,787.99	\$ 0.00	\$ 39,787.99		\$ 39,787.99	\$ 0.00	\$ 39,787.99	
Total 66010-000 Grant Programs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 39,787.99	\$ 0.00	\$ 39,787.99		\$ 39,787.99	\$ 0.00	\$ 39,787.99	
70000-000 Operations			0.00				0.00		0.00	0.00	0.00	
71100-000 Office Expense			0.00				0.00		0.00	0.00	0.00	
71101-000 Office Rent - CAC Mauchly, Irvine		0.00	0.00		0.00	1,207.00	-1,207.00	0.00%	0.00	1,207.00	-1,207.00	0.00%
71102-000 Rent-CAM, Ins, Prop Tax		0.00	0.00		5,218.74	4,400.00	818.74	118.61%	5,218.74	4,400.00	818.74	118.61%
71104-000 Rent-Offsite Storage		0.00	0.00		1,660.00	1,660.00	0.00	100.00%	1,660.00	1,660.00	0.00	100.00%
71111-000 Insurance-Liability		0.00	0.00		6,545.20	16,830.00	-10,284.80	38.89%	6,545.20	16,830.00	-10,284.80	38.89%
71121-000 Office Expenses - Operations		0.00	0.00		659.76	500.00	159.76	131.95%	659.76	500.00	159.76	131.95%
71122-000 Office Supplies		0.00	0.00		68.57	500.00	-431.43	13.71%	68.57	500.00	-431.43	13.71%
71123-000 Janitorial		0.00	0.00		1,101.87	1,125.00	-23.13	97.94%	1,101.87	1,125.00	-23.13	97.94%
71131-000 Office Utilities		0.00	0.00		1,652.13	1,910.00	-257.87	86.50%	1,652.13	1,910.00	-257.87	86.50%
71141-000 Bank & Payroll Fees		0.00	0.00		989.96	1,322.00	-332.04	74.88%	989.96	1,322.00	-332.04	74.88%
71151-000 Equipment Maintenance & Expense		0.00	0.00		1,461.11	960.00	501.11	152.20%	1,461.11	960.00	501.11	152.20%
71161-000 Telephone		0.00	0.00		1,368.90	1,400.00	-31.10	97.78%	1,368.90	1,400.00	-31.10	97.78%
71162-000 Employee Communication Expense		0.00	0.00		2,400.00	2,400.00	0.00	100.00%	2,400.00	2,400.00	0.00	100.00%
71181-000 Postage & Courier Service		0.00	0.00			550.00	-550.00	0.00%	0.00	550.00	-550.00	0.00%
Total 71100-000 Office Expense	\$ 0.00	\$ 0.00	\$ 0.00		\$ 23,126.24	\$ 34,764.00	-\$ 11,637.76	66.52%	\$ 23,126.24	\$ 34,764.00	-\$ 11,637.76	66.52%
71200-000 Professional Fees			0.00				0.00		0.00	0.00	0.00	
71203-000 CPA-Assessment Audits		0.00	0.00		0.00	27,500.00	-27,500.00	0.00%	0.00	27,500.00	-27,500.00	0.00%
71211-000 Calif. Department of Food & Ag.-CDFA		0.00	0.00		12,476.21	15,000.00	-2,523.79	83.17%	12,476.21	15,000.00	-2,523.79	83.17%
71221-000 Dept. of Ag-USDA/AMS		0.00	0.00		9,448.33	10,500.00	-1,051.67	89.98%	9,448.33	10,500.00	-1,051.67	89.98%
71236-000 Outsourced Accounting		0.00	0.00		21,649.98	17,500.00	4,149.98	123.71%	21,649.98	17,500.00	4,149.98	123.71%
78301-000 Pension Adm & Legal		0.00	0.00		1,853.92	2,010.00	-156.08	92.23%	1,853.92	2,010.00	-156.08	92.23%
Total 71200-000 Professional Fees	\$ 0.00	\$ 0.00	\$ 0.00		\$ 45,428.44	\$ 72,510.00	-\$ 27,081.56	62.65%	\$ 45,428.44	\$ 72,510.00	-\$ 27,081.56	62.65%
71300-000 Personnel Expenses			0.00				0.00		0.00	0.00	0.00	
71301-000 Salaries/Wages		0.00	0.00				0.00		0.00	0.00	0.00	

California Avocado Commission
Budget vs. Actuals - CAC FY25 Budget Amend #1
November - December, 2024

	Restricted				Unrestricted				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
71302-000 Salaries/Wages - IA & Ops		0.00	0.00		90,635.49	100,700.00	-10,064.51	90.01%	90,635.49	100,700.00	-10,064.51	90.01%
71303-000 Salaries/Wages - Marketing		0.00	0.00		15,974.10	17,748.00	-1,773.90	90.01%	15,974.10	17,748.00	-1,773.90	90.01%
Total 71301-000 Salaries/Wages	\$ 0.00	\$ 0.00	\$ 0.00		\$ 106,609.59	\$ 118,448.00	-\$ 11,838.41	90.01%	\$ 106,609.59	\$ 118,448.00	-\$ 11,838.41	90.01%
71311-000 Pension Expense		0.00	0.00				0.00		0.00	0.00	0.00	
71312-000 Pension Expense - IA & Ops		0.00	0.00		10,048.68	10,070.00	-21.32	99.79%	10,048.68	10,070.00	-21.32	99.79%
71313-000 Pension Expense - Marketing		0.00	0.00		1,774.90	1,774.00	0.90	100.05%	1,774.90	1,774.00	0.90	100.05%
Total 71311-000 Pension Expense	\$ 0.00	\$ 0.00	\$ 0.00		\$ 11,823.58	\$ 11,844.00	-\$ 20.42	99.83%	\$ 11,823.58	\$ 11,844.00	-\$ 20.42	99.83%
71321-000 Payroll Tax & Work Comp		0.00	0.00				0.00		0.00	0.00	0.00	
71322-000 Payroll Tax & Work Comp - IA & Ops		0.00	0.00		4,458.33	7,874.00	-3,415.67	56.62%	4,458.33	7,874.00	-3,415.67	56.62%
71323-000 Payroll Tax & Work Comp - Marketing		0.00	0.00		867.27	1,338.00	-470.73	64.82%	867.27	1,338.00	-470.73	64.82%
Total 71321-000 Payroll Tax & Work Comp	\$ 0.00	\$ 0.00	\$ 0.00		\$ 5,325.60	\$ 9,212.00	-\$ 3,886.40	57.81%	\$ 5,325.60	\$ 9,212.00	-\$ 3,886.40	57.81%
71331-000 Benefits		0.00	0.00		0.00		0.00		0.00	0.00	0.00	
71332-000 Benefits - IA & Ops		0.00	0.00		13,719.06	15,758.00	-2,038.94	87.06%	13,719.06	15,758.00	-2,038.94	87.06%
71333-000 Benefits - Marketing		0.00	0.00		2,241.98	2,490.00	-248.02	90.04%	2,241.98	2,490.00	-248.02	90.04%
Total 71331-000 Benefits	\$ 0.00	\$ 0.00	\$ 0.00		\$ 15,961.04	\$ 18,248.00	-\$ 2,286.96	87.47%	\$ 15,961.04	\$ 18,248.00	-\$ 2,286.96	87.47%
Total 71300-000 Personnel Expenses	\$ 0.00	\$ 0.00	\$ 0.00		\$ 139,719.81	\$ 157,752.00	-\$ 18,032.19	88.57%	\$ 139,719.81	\$ 157,752.00	-\$ 18,032.19	88.57%
71400-000 Commissioner Expenses			0.00				0.00		0.00	0.00	0.00	
71403-000 Travel Expenses - Board Members		0.00	0.00		30.55	10,000.00	-9,969.45	0.31%	30.55	10,000.00	-9,969.45	0.31%
71404-000 Board Meeting Expenses		0.00	0.00		881.39	2,000.00	-1,118.61	44.07%	881.39	2,000.00	-1,118.61	44.07%
Total 71400-000 Commissioner Expenses	\$ 0.00	\$ 0.00	\$ 0.00		\$ 911.94	\$ 12,000.00	-\$ 11,088.06	7.60%	\$ 911.94	\$ 12,000.00	-\$ 11,088.06	7.60%
73000-000 Information Technology			0.00				0.00		0.00	0.00	0.00	
73001-000 Network Maintenance		0.00	0.00		2,880.79	4,000.00	-1,119.21	72.02%	2,880.79	4,000.00	-1,119.21	72.02%
73002-000 Network Hardware, Software & Licenses		0.00	0.00		583.97	680.00	-96.03	85.88%	583.97	680.00	-96.03	85.88%
73003-000 IT Support & Consulting		0.00	0.00		3,015.50	15,519.00	-12,503.50	19.43%	3,015.50	15,519.00	-12,503.50	19.43%
73004-000 Accounting & Assessment System		0.00	0.00		1,577.62	600.00	977.62	262.94%	1,577.62	600.00	977.62	262.94%
73005-000 IT Services		0.00	0.00		1,640.00	1,640.00	0.00	100.00%	1,640.00	1,640.00	0.00	100.00%
Total 73000-000 Information Technology	\$ 0.00	\$ 0.00	\$ 0.00		\$ 9,697.88	\$ 22,439.00	-\$ 12,741.12	43.22%	\$ 9,697.88	\$ 22,439.00	-\$ 12,741.12	43.22%
78000-000 Depreciation, Interest & Other Operations			0.00				0.00		0.00	0.00	0.00	
79001-000 Amortization Expense		0.00	0.00		26,551.07	26,560.00	-8.93	99.97%	26,551.07	26,560.00	-8.93	99.97%
79100-000 Interest Expense		0.00	0.00		1,103.70	1,102.00	1.70	100.15%	1,103.70	1,102.00	1.70	100.15%
Total 78000-000 Depreciation, Interest & Other Operations	\$ 0.00	\$ 0.00	\$ 0.00		\$ 27,654.77	\$ 27,662.00	-\$ 7.23	99.97%	\$ 27,654.77	\$ 27,662.00	-\$ 7.23	99.97%
Total 70000-000 Operations	\$ 0.00	\$ 0.00	\$ 0.00		\$ 246,539.08	\$ 327,127.00	-\$ 80,587.92	75.36%	\$ 246,539.08	\$ 327,127.00	-\$ 80,587.92	75.36%
Total Expenditures	\$ 311,157.02	\$ 474,274.00	-\$ 163,116.98	65.61%	\$ 562,718.09	\$ 632,977.00	-\$ 70,258.91	88.90%	\$ 873,875.11	\$ 1,107,251.00	-\$ 233,375.89	78.92%
Net Operating Revenue	-\$ 311,157.02	-\$ 473,474.00	\$ 162,316.98	65.72%	-\$ 558,606.41	-\$ 621,381.00	\$ 62,774.59	89.90%	-\$ 869,763.43	-\$ 1,094,855.00	\$ 225,091.57	79.44%
Net Revenue	-\$ 311,157.02	-\$ 473,474.00	\$ 162,316.98	65.72%	-\$ 558,606.41	-\$ 621,381.00	\$ 62,774.59	89.90%	-\$ 869,763.43	-\$ 1,094,855.00	\$ 225,091.57	79.44%

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CALIFORNIA AVOCADO COMMISSION POUNDS & DOLLARS BY VARIETY

November 2024 Through December 2024

Month	Hass Pounds	Lamb Pounds	Gem Pounds	Others Pounds	Total Pounds	Hass Dollars	Lamb Dollars	Gem Dollars	Others Dollars	Total Dollars	Avg \$/Lb
Nov 2024	48,362	228	0	16,819	65,409	\$39,957	\$1,021	\$	\$16,097	\$57,075	\$0.873
Dec 2024	2,097		0	28,523	30,620	\$6,629	0	\$	\$23,158	\$29,787	\$0.973
1st QTR	50,459	228	0	45,342	96,029	\$46,586	\$1,021	0	\$39,255	\$86,862	\$0.905
1st Half	50,459	228	0	45,342	96,029	\$46,586	\$1,021	0	\$39,255	\$86,862	\$0.905
Total	50,459	228	0	45,342	96,029	\$46,586	\$1,021	0	\$39,255	\$86,862	\$0.905
Year-to-Date % of Crop	52.55%	.24%	.00%	47.22%	100.00%	53.63%	1.18%	.00%	45.19%	100.00%	
Year-to-Date Average \$/lb						\$0.923	\$4.478	\$0.000	\$0.866	\$0.905	



BOARD ACTION

ITEM 3.c: CONSIDER APPROVAL OF CAC AS PROVIDER OF AVOCADO INSPECTION PROGRAM ADMINISTRATIVE SERVICES FOR THE CDFA FOR THE PERIOD FROM JULY 2025 THROUGH JUNE 2024

SUMMARY:

Each year a Memorandum of Understanding (MOU) must be renewed with the California Department of Food and Agriculture (CDFA) to allow CAC to continue as administrator of the Avocado Inspection Program (AIP). The AIP oversees avocado variety maturity standards, weight certification, uniformity of size, and ensures correct labeling of avocado cartons to conform with applicable regulations.

CAC staff handles the collection and disbursement of certification fees from California avocado handlers with oversight by the Avocado Inspection Committee (AIC). CAC also is responsible for retention of AIP personnel. Annual approval by the Board is required for CAC to continue administration of the funds. The item is scheduled for consideration early each fiscal year to allow time for the CDFA approval process.

FISCAL ANALYSIS:

CAC has provided this administration service for AIP since 1986, resulting in industry savings of approximately \$175,000 annually for a cumulative avocado industry savings of over six million dollars due to the minimization of state government overhead expenses. CAC is compensated by AIP for providing administrative and accounting services, which is \$70,000 for 2024-25 fiscal year.

BOARD OPTIONS:

- Approve CAC as Provider of Administrative Services of CDFA's Avocado Inspection Program
- Consider alternative forms of providing administrative services to AIP
- Take no action

STAFF RECOMMENDATION:

- Staff recommends approval of CAC as Provider of Administrative Services to AIP

EXHIBITS / ATTACHMENTS:

- None



ITEM 3.d: Consider Approval of Indirect Costs Policy

SUMMARY:

The Commission has a long-standing history of funding research projects with the University of California where we are not obligated to pay for indirect or overhead costs. In more recent years, CAC has expanded the pool of research collaborators to include universities outside the UC system. At this time management is recommending the CAC Board adopt a formal policy to ensure CAC does not pay indirect or overhead costs on research projects, regardless of the university the funding is being provided to.

Attached is the recommended policy for Board consideration and adoption.

FISCAL ANALYSIS:

- There is currently no financial impact to the Commission, however not adopting the policy could result in increased research costs in the future

BOARD OPTIONS:

- Adopt the Indirect Costs Policy as presented
- Modify and adopted a revised Indirect Costs Policy
- Take no action

STAFF RECOMMENDATION:

- Staff recommends the Board adopt the Indirect Costs Policy as presented

EXHIBITS / ATTACHMENTS:

- Indirect Costs Policy

California Avocado Commission
Indirect Costs Policy

The California Avocado Commission, an agricultural commodity group organized under the authority of the California Department of Food and Agriculture, hereby adopts the following policy regarding the payment of indirect recovery costs:

It is the policy of the California Avocado Commission to not pay indirect or overhead costs on funded research projects.

Adopted by the Board of Directors of the California Avocado Commission
20 February 2025



BOARD ACTION

ITEM 4: **Consider appointment of District 1 alternate member to fill existing vacancy, term ending October 31, 2025**

SUMMARY:

There currently exists a District 1 alternate member vacancy on the CAC Board for the term ending October 31, 2025. The Commission announced the District 1 alternate member vacancy in December 2024 and again in February 2025, and at the time this item was prepared CAC has received no nominations for this position.

Board vacancies, for both member and alternate seats, are filled by a majority vote of the Commission (Election Procedures, Section VII, A), with appointment being conducted at a regularly scheduled meeting as soon as practicable after the vacancy occurs (Election Procedures, Section VII, B). Nominations for appointment to a vacant seat may be solicited by the Commission prior to the meeting at which the appointment will take place and from the floor at the meeting (Section VII, B). Nominees must meet the qualifications set forth in Section IV of the Election Procedures.

While CAC has solicited nominations for the District 1 alternate member vacancy prior to the February Board meeting, nominations will also be accepted from the floor at the upcoming meeting. Note that nominees have the option to be present during the vote to fill the vacant seat and voting may not be conducted by secret ballot (Election Procedures, Section VII, C).

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant District 1 alternate member seat
- Take no action

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- None



BOARD ACTION

ITEM 5: **Consider appointment of District 5 alternate member to fill existing vacancy, term ending October 31, 2025**

SUMMARY:

There currently exists a District 5 alternate member vacancy on the CAC Board for the term ending October 31, 2025. The Commission announced the District 5 alternate member vacancy in December 2024 and again in February 2025, and at the time this item was prepared the following individuals have expressed interest in the position:

- Dale Guerra
- Byron Talley

Board vacancies, for both member and alternate seats, are filled by a majority vote of the Commission (Election Procedures, Section VII, A), with appointment being conducted at a regularly scheduled meeting as soon as practicable after the vacancy occurs (Election Procedures, Section VII, B). Nominations for appointment to a vacant seat may be solicited by the Commission prior to the meeting at which the appointment will take place and from the floor at the meeting (Section VII, B). Nominees must meet the qualifications set forth in Section IV of the Election Procedures.

While CAC has solicited nominations for the District 5 alternate member vacancy prior to the February Board meeting, nominations will also be accepted from the floor at the upcoming meeting. Note that nominees have the option to be present during the vote to fill the vacant seat and voting may not be conducted by secret ballot (Election Procedures, Section VII, C).

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant District 5 alternate member seat
- Take no action

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- Producer Disclosure of Affiliations and Candidate Statement for Dale Guerra
- Producer Disclosure of Affiliations and Candidate Statement for Byron Talley



PRODUCER DISCLOSURE OF AFFILIATIONS

I declare that I am engaged, within this state, in the business of producing or causing to be produced avocados for market through a legal entity (individual ownership, partnership, corporation, or other) which is not also involved in the handling of avocados, and that my **grove** is located in California Avocado Commission District Number 5 (Refer to enclosed **Grove District Zip Code List**)

I **own** the following number of planted avocado acres in California 21.5 and derive a portion of my gross avocado industry income from producing or causing to be produced avocados. I also have a financial interest in groves located in District(s) none.

I **manage** the following number of planted avocado acres in California 21.5 and derive a portion of my gross avocado industry income from producing or causing to be produced avocados. I also have a financial interest in groves located in District(s) 5.

I **pack** my fruit with the following handlers: Mission; _____; _____; _____.

In addition, I am also involved in the avocado industry in the following capacities (*check all that apply*):

- Handler – Owner/Partner
- Handler – Officer/Director
- Handler – Employee
- Holder of a personal financial interest in the production of avocados outside of the United States.
- Holder of a personal financial interest in a handling operation that imports fruit from outside of the United States.

Please briefly describe that financial interest and specify the location of the out-of-country operation.

I declare under penalty of perjury that the foregoing is a complete, true and correct explanation of each of my affiliations with the avocado industry. I understand that this form may be made available upon request, or reproduced and included with election information mailed to eligible voters.

PRINT NAME: Dale E. Guerra

SIGNATURE: DATE: 2/12/2025

MUST ARRIVE AT CAC ON OR BEFORE FEBRUARY 13, 2025 VIA MAIL, FAX OR EMAIL

12 Mauchly, Suite L, Irvine, CA 92618-6305

FAX: (949) 208-3503 EMAIL AAYMAMI@AVOCADO.ORG



PRODUCER DISCLOSURE OF AFFILIATIONS

I declare that I am engaged, within this state, in the business of producing or causing to be produced avocados for market through a legal entity (individual ownership, partnership, corporation, or other) which is not also involved in the handling of avocados, and that my *grove* is located in California Avocado Commission District Number 5 (Refer to enclosed *Grove District Zip Code List*)

I own the following number of planted avocado acres in California 80 and derive a portion of my gross avocado industry income from producing or causing to be produced avocados. I also have a financial interest in groves located in District(s) _____.

I manage the following number of planted avocado acres in California _____ and derive a portion of my gross avocado industry income from producing or causing to be produced avocados. I also have a financial interest in groves located in District(s) _____.

I pack my fruit with the following handlers: Mission; _____; _____; _____.

In addition, I am also involved in the avocado industry in the following capacities (*check all that apply*):

- Handler – Owner/Partner
- Handler – Officer/Director
- Handler – Employee
- Holder of a personal financial interest in the production of avocados outside of the United States.
- Holder of a personal financial interest in a handling operation that imports fruit from outside of the United States.

Please briefly describe that financial interest and specify the location of the out-of-country operation.

I declare under penalty of perjury that the foregoing is a complete, true and correct explanation of each of my affiliations with the avocado industry. I understand that this form may be made available upon request, or reproduced and included with election information mailed to eligible voters.

PRINT NAME: Byron Talley

SIGNATURE: DATE: 2/7/2025

MUST ARRIVE AT CAC ON OR BEFORE FEBRUARY 13, 2025 VIA MAIL, FAX OR EMAIL

12 Mauchly, Suite L, Irvine, CA 92618-6305

FAX: (949) 208-3503 EMAIL AAYMAMI@AVOCADO.ORG



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: Byron Talley

GROVE CITY/CITIES: Arroyo Grande, CA

STATEMENT OF QUALIFICATIONS:

This form will be included with the ballots to inform growers about your qualifications. Please limit your statement to the space provided.

I'm a fourth generation farmer and have been in charge of my family's avocado orchard for five years. During that time I have learned a lot about the industry and have gotten involved in the Hass Avocado Board as an alternate producer for 3 years. I'd love to help out and contribute to the California Avocado Commission by filling in for the position of Producer Alternate for the remainder of the year. I feel we need to continue to find creative ways to promote California avocados especially because they are so tasty and much better than imported avocados.

I declare under penalty of perjury that the foregoing is a complete, true and correct explanation of my qualifications. I understand that this form shall be reproduced and included with election information mailed to eligible voters.

SIGNATURE:  DATE: 2/7/2025

MUST ARRIVE AT CAC ON OR BEFORE FEBRUARY 13, 2025 VIA MAIL, FAX OR EMAIL

12 Mauchly, Suite L, Irvine, CA 92618-6305

FAX: (949) 208-3503

EMAIL AAYMAMI@AVOCADO.ORG



BOARD ACTION

ITEM 6: **Consider appointment of handler alternate member to fill existing vacancy, term ending October 31, 2025**

SUMMARY:

There currently exists a handler alternate member vacancy on the CAC Board for the term ending October 31, 2025. The Commission announced the handler alternate member vacancy in December 2024 and again in February 2025, and at the time this item was prepared CAC has received no nominations for this position.

Board vacancies, for both member and alternate seats, are filled by a majority vote of the Commission (Election Procedures, Section VII, A), with appointment being conducted at a regularly scheduled meeting as soon as practicable after the vacancy occurs (Election Procedures, Section VII, B). Nominations for appointment to a vacant seat may be solicited by the Commission prior to the meeting at which the appointment will take place and from the floor at the meeting (Section VII, B). Nominees must meet the qualifications set forth in Section IV of the Election Procedures.

While CAC has solicited nominations for the handler alternate member vacancy prior to the February Board meeting, nominations will also be accepted from the floor at the upcoming meeting. Note that nominees have the option to be present during the vote to fill the vacant seat and voting may not be conducted by secret ballot (Election Procedures, Section VII, C).

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant handler alternate member seat
- Take no action

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- None



BOARD ACTION

ITEM 7: Consider recommendation of public member for term ending October 31, 2026

SUMMARY:

At the March 2023 CAC Board meeting, the CAC Board approved a Public Member Selection Process that directs CAC management to solicit applications for the public member seat and then the Executive Committee reviews the resumes and qualifications of individuals who have expressed an interest in the position.

The current Public Member term is up for appointment, therefore management solicited applications in November 2024 and the Executive Committee reviewed the submissions at their December 2024 meeting. Upon review of the application submissions, the Executive Committee determined that two applicants met the qualifications of the Public Member position, and have moved them forward to the Board for consideration.

The next step outlined in the Public Member Selection Process states that the Board shall interview each applicant recommended by the Executive Committee. CAC management has contacted both of the recommended applicants and invited them to participate in the February meeting so that the Board can complete this step in the process. Upon completion of the process, the Board may schedule a meeting to consider recommending to the Secretary of Food and Agriculture the appointment of specific applicants to one or both Public Member positions.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Complete interviews with Public Member applicants and schedule a meeting to make a recommendation to the Secretary of Food and Agriculture for appointment to one or both Public Member positions
- Direct CAC management to continue advertising for the Public Member position to solicit additional applicants

STAFF RECOMMENDATION:

- Management defers to the Board's judgment on this item

EXHIBITS / ATTACHMENTS:

- CAC Public Member Selection Process
- Public Member Resume Submissions for:
 - Maddie Cook
 - Marty Ordman



PUBLIC MEMBER SELECTION PROCESS

Commission law provides that the Commission Board of Directors shall recommend to the Secretary of Food and Agriculture the appointment of a public member and alternate public member to serve on the Board in accordance with Commission law.

The process to be utilized by the Commission for such action is as follows.

1. Solicit applications (with resumes) which demonstrate expertise in food safety, public health, nutrition, marketing, public education or other relevant experience. Preference for California residents.
2. The Executive Committee shall review the information provided by applicants and may interview applicants and/or require additional information to ensure that applicants are in compliance with Commission law and to evaluate each applicant's qualifications for the public member positions.
3. When the Executive Committee determines that one or more applicants are qualified, it shall recommend to the Board of Directors consideration of such applicants for available public member positions.
4. The Board of Directors shall interview each applicant recommended by the Executive Committee.
5. Upon completion of the process, the Board of Directors may schedule a meeting to consider recommending to the Secretary of Food and Agriculture the appointment of specific applicants to one or both public member positions.

From: [Maddie Cook](#)
To: [April Aymami](#)
Cc: [Ken Melban](#)
Subject: RE: CAC Public Member Announcement
Date: Friday, December 6, 2024 8:29:40 PM
Attachments: [image002.png](#)
[MCook Resume.docx.pdf](#)

Hi April,

Please see my resume attached. I am happy to remain on the board should the team choose to have me.

Thank you,



Maddie Cook

Account Manager, FPGS

[Tree Top, Inc](#)



Maddie Cook

- Clovis, CA

Experience:

Tree Top LLC, Remote

Account Manager, Grower Relations (July 2022 - Present)

- Ensure food safety adherence of all designated suppliers
- Communicate with suppliers and internal teams to ensure on-time delivery of fruit
- Cross-functionally collaborate to make business decisions, and own the results

Meridian Fine Foods, Fresno, CA

Account Manager (July 2021-Present)

- Maintain and grow relationships with new and existing customer accounts
- Assist in logistics, accounting, and marketing departments as needed
- Coordinate with suppliers in Central and Baja Mexico to accurately presale anticipated inventory

Prima Wawona (Gerawan Farming), Cutler, CA

Sales Representative & Analyst (May 2019-July 2021)

- Use Excel and BI software to analyze data and present conclusions
- Assist in selecting marketing materials that influence customer/consumer behavior
- Lead relationships with multiple regional accounts, delivering quantitative growth

Fresno Madera YFR, Fresno, CA

Social Media Coordinator (Feb 2020-Present)

- Develop copyright that maintains an authentic social brand to influence behavior
- Create engaging visual content using Canva and Adobe Illustrator
- Seek out member feedback and revise the marketing approach appropriately

Skills:

Self-starter

Eager to Learn

Authentic

Creative Problem Solving

Negotiation

Project Management

Tenacious

Interpersonal Communication

Independent

Microsoft Proficiency

Agile

Food Handlers Certificate

Education:

California State University, Fresno

Ag. Business BS Degree 2020

Vice President of Sigma Alpha 2019

Ag. Ambassador 2018

Shasta College

Ag. Business and Sustainable Ag. Sciences AS Degrees

Degrees with honors 2018

MARTY ORDMAN

Malibu, CA 90265

SUMMARY

Award winning marketing executive with over twenty-five years of consumer products experience in a Fortune 500 brand management setting. Expertise in cross divisional marketing development and corporate communications for a nationally recognized global corporation. Proven success in creating strategic solutions and developing new marketing techniques to address today's social driven media priorities, integrated across advertising, promotions, digital and public relations.

- Multi-media Campaign Success
- Brand Development
- Global Marketing Communications
- Licensing & Contract Negotiations
- Corporate Social Responsibility
- Cross Functional Team Leadership

PROFESSIONAL EXPERIENCE

MSO CONSULTING

2013 – PRESENT

Worked with Dole Packaged Foods, Captain Planet Foundation, PGA Tour, Tiger Woods Foundation, New Frontier Foods, Ruby Rockets and Nichols Farms on various marketing, communications, and event programs.

DOLE FOOD COMPANY, WESTLAKE VILLAGE, CA

1985 – 2013

Vice President, Marketing & Communications

2006 -- 2013

Reported to the President & CEO, with 4 direct reports and 12 team members and an annual budget of \$2.7 million. Responsible for global communications, brand development and digital marketing assets across eight operating divisions. Managed consumer center and test kitchen with senior advisory role for the Dole Nutrition Institute and Corporate Social Responsibility teams. During tenure at company revenues grew from \$1.4 to \$7.2 billion.

Worldwide Brand Development

- Directed successful revitalization and global repositioning of the Dole brand resulting in a 20% increase in same product sales and a 30% increase in brand awareness.
- Led brand repositioning executed across three operating divisions in four worldwide regions, integrated with internal communications, advertising, promotion, digital and collateral.
- Successfully drove licensee partner agreements (PepsiCo, Target Foods, and Snow Dairy) to convert to new Dole positioning.
- Led successful product launch of Dole Fruit "N Juice bars in highly competitive frozen novelty category.

Corporate Communications & Public Relations

- Launched a proactive corporate communications program highlighting Dole's accomplishments and generating over 400 million earned media impressions over a 3-year period.
- Appointed by CEO to act as worldwide Dole spokesperson for corporation handling crisis communications for recalls, litigation, activist attacks and on-going communications.
- Significant partnership with inhouse general counsel on lobbying efforts to effectively and successfully mitigate potential harmful global legal actions.
- Successfully teamed with product marketing groups and Dole Nutrition Institute to optimize public relations programs that earned over 100 million media impressions.

Corporate Social Responsibility

- Key member of company's global Corporate Social Responsibility team charged with proactively communicating initiatives and activities to various stakeholders.
- Spearheaded annual visits by NGO's and media to operations in Latin America to showcase environmental and labor programs.
- Managed company's award-winning nutrition education program directed to consumers, retailers and educators. Materials distributed to over 20,000 teachers and millions of children.
- Responsible for company's charitable giving with emphasis on nutrition and health organizations.

Partnership Marketing

- Developed multi-tiered marketing programs with a variety of high visibility entertainment entities including Disney, Fox, Universal, Mattel and Microsoft resulting in a 15-25% promotional incremental uplift in sales.
- Enriched and advanced the multi-million dollar Disney/Dole relationship through five renegotiations in the U.S. and led international marketing teams in Europe and Asia to complete similar deals.
- Created and drove dozens of promotional programs with high-end consumer product brands such as Danon, Crayola, Kraft, Kikkoman, Oster and Tropicana.
- Managed marketing relationship with dessert appliance maker (Yonanas), integrating Dole brand into package design, on-line and retail programs in non-food outlets.

Celebrity & Event Marketing

- Led Dole's multi-year sponsorships of the Tiger Woods World Challenge and the Shark Shootout hosted by Greg Norman, increasing brand positioning in sports world.
- Managed Dole's successful multimillion dollar four-year relationship with Kenny Rogers including advertising development, North American concert tour, in-store promotions, PR and personal appearances.
- Led annual sponsorship of "Easter at The White House" showcasing Dole's continuing prominent role in expanding children's nutritional education and healthy new products.
- Developed comprehensive marketing strategy to showcase company's healthy products to fitness enthusiasts by negotiating and raising high-impact product brand exposure at significant long distance running events including the NY, LA, Boston, Honolulu, Big Sur Marathons and the Rock 'N Roll running series.

Digital Marketing

- Led the successful revitalization of the Dole website (dole.com) twice (2007 and 2013) resulting in a dramatic 20% increase in views and uplift in recognized brand stature in social media outlets.
- Responsible for strategy and launch of Facebook presence, resulting in over 800,000 new friends.
- Implemented new and innovative Digital Asset Management system resulting in increased company-wide operational efficiencies.
- Developed first-ever Blogger Communications program resulting in 2+ million impressions over a three-year period and culminating in a breakthrough annual summit.

Prior Dole Positions

Vice President, Marketing Services	1999-2006
Director, Sales Promotions & Special Events	1992-1999
Manager, Sales Promotion & Special Events, Dole Packaged Foods	1987-1992
Brand Manager, Dole Frozen Desserts, Dole Packaged Foods	1985-1987

FLAIR COMMUNICATIONS AGENCY, CHICAGO, IL & SAN FRANCISCO, CA **1981 – 1985**

Leading marketing communications agency with Fortune 500 clients with offices in five cities.

Senior Account Executive working on Kellogg's, Westinghouse, Gerber, Kodak and Stroh's Beer.

EDUCATION

BBA Marketing, University of Wisconsin

AFFILIATIONS & AWARDS

Recipient of the 2012 Communicator Award for Digital Annual Report
Chairman, Produce for Better Health Foundation
Member, Nutrition Council, United Fresh Produce Association
Member, Brand Management Committee, Association National Advertisers



BOARD ACTION

ITEM 8.b: Consider acceptance of 2023-24 audited financial statements

SUMMARY:

Moss Adams has completed its audit of CAC's financial statements for the fiscal year ended October 31, 2024 and has prepared a draft report on the audited financial statements for the Board's consideration.

FISCAL ANALYSIS:

- Not applicable

COMMITTEE OPTIONS:

- Accept the CAC 2023-24 Audited Financial Statements as presented
- Do not accept the CAC 2023-24 Audited Financial Statements as presented
- Take no action

STAFF RECOMMENDATION:

- Accept the CAC 2023-24 Audited Financial Statements as presented

EXHIBITS / ATTACHMENTS:

- Draft Annual Financial Report for the years ended October 31, 2024 and 2023

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upon for any purpose

Report of Independent Auditors and Financial Statements with
Supplementary Information

California Avocado Commission

October 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
California Avocado Commission

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the California Avocado Commission as of and for the years ended October 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the California Avocado Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the California Avocado Commission as of October 31, 2024 and 2023, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the California Avocado Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the California Avocado Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the California Avocado Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the California Avocado Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the California Avocado Commission's basic financial statements. The budgetary comparison schedule, combining statement of revenues, expenses, and changes in net position, and the schedule of restricted marketing program expenses (Supplementary Schedules) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2025, on our consideration of California Avocado Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of California Avocado Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering California Avocado Commission's internal control over financial reporting and compliance.

Irvine, California
_____, 2025

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Management's Discussion and Analysis (Unaudited)

California Avocado Commission Management's Discussion and Analysis Years Ended October 31, 2024 and 2023

Introduction

Management's Discussion and Analysis (MD&A) provides an overview and analysis of the financial activities of the California Avocado Commission (the Commission) for the years ended October 31, 2024 and 2023. It has been prepared by management and is required supplementary information to the financial statements. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

Financial Highlights

- The Commission's 2024 assets exceeded its liabilities as of October 31, 2024, by \$16,089,300 (total net position). This amount increased \$8,663,346, or 117% from the 2023 amount of \$7,425,954.
- Net position restricted for marketing at the end of fiscal year 2024 increased \$1,145,055 to \$4,096,170, or 39% from the 2023 amount of \$2,951,115. This amount made up 25% of total net position.
- Unrestricted net position at the end of fiscal year 2024 increased \$7,518,291 to \$11,993,130, or 168% from the 2023 amount of \$4,474,839. This amount made up 75% of total net position.
- The Commission's 2023 assets exceeded its liabilities as of October 31, 2023, by \$7,425,954 (total net position). This amount decreased \$4,187,595, or 36% from the 2022 amount of \$11,613,549.
- Net position restricted for marketing at the end of fiscal year 2023 decreased \$1,183,496 to \$2,951,115, or 29% from the 2022 amount of \$4,134,611. This amount made up 40% of total net position.
- Unrestricted net position at the end of fiscal year 2023 decreased \$2,978,677 to \$4,474,839, or 40% from the 2022 amount of \$7,453,516. This amount made up 60% of total net position.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Commission's financial report. The Commission's financial report includes three financial statements: Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows. The Commission's financial statements also include notes to the financial statements. Financial statements are designed to present a broad overview of the financial data for the Commission, in a manner similar to a private-sector business.

The *Statements of Net Position* present information on all assets and liabilities of the Commission, using the accrual basis of accounting, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the current financial condition of the Commission.

**California Avocado Commission
Management's Discussion and Analysis
Years Ended October 31, 2024 and 2023**

The *Statements of Revenues, Expenses, and Changes in Net Position* present information showing how the Commission's net position varied during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *Statements of Cash Flows* present changes in cash and cash equivalents resulting from operating, noncapital financing, capital financing, and investing activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the financial statements.

Other Information

In addition to the MD&A, the financial statements also present the following supplementary information: Budgetary Comparison Schedule; Combining Statement of Revenues, Expenses, and Changes in Net Position (broken down by Restricted and Unrestricted); and Schedule of Program Expenses (Restricted). Also included in the financial statements is the Independent Auditor's Report in accordance with *Government Auditing Standards*.

Contacting the Commission's Financial Management

This financial report is designed to provide a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to California Avocado Commission, 12 Mauchly, Suite L, Irvine, California 92618; phone number: 949-341-1955.

Financial Analysis

Comparative data for the prior year ended October 31, 2023, has been presented in the accompanying financial statements (including MD&A) to facilitate financial analysis for the current year ended October 31, 2024. A comparative analysis of fiscal year 2023 with fiscal year 2022 is also presented in the MD&A.

**California Avocado Commission
Management's Discussion and Analysis
Years Ended October 31, 2024 and 2023**

Statements of Net Position

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current assets	\$ 18,053,903	\$ 9,104,558	\$ 13,457,580
Capital assets, net	<u>253,236</u>	<u>288,634</u>	<u>461,285</u>
Total assets	<u>18,307,139</u>	<u>9,393,192</u>	<u>13,918,865</u>
Current liabilities	2,116,669	1,808,843	1,955,954
Noncurrent liabilities	<u>101,170</u>	<u>158,395</u>	<u>349,362</u>
Total liabilities	<u>2,217,839</u>	<u>1,967,238</u>	<u>2,305,316</u>
Net position			
Net investment in capital assets	-	-	25,422
Restricted for marketing	4,096,170	2,951,115	4,134,611
Unrestricted	<u>11,993,130</u>	<u>4,474,839</u>	<u>7,453,516</u>
Total net position	<u>\$ 16,089,300</u>	<u>\$ 7,425,954</u>	<u>\$ 11,613,549</u>

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. The largest portion of the Commission's assets are current assets consisting primarily of cash and cash equivalents, restricted cash, receivables, and fiduciary cash amounts held for the Avocado Inspection Program (the AIP).

Current assets at the end of fiscal year 2024 totaled \$18,053,903 and represented 99% of total assets. Current assets increased \$8,949,345 from the prior year amount of \$9,104,558. This increase is due to higher total cash and cash equivalents at year end due to an increase in the assessment rate from 1.5% to 2.25%, coupled with increased production volume and value, leading to an increase in assessment revenue. Total current assets cover current liabilities 8.5 times, indicating good liquidity.

Current assets at the end of fiscal year 2023 totaled \$9,104,558 and represented 97% of total assets. 2023 current assets decreased \$4,353,022 from the 2022 year amount of \$13,457,580. This decrease was due to lower total cash and cash equivalents at year end due to a reduction in the assessment rate of a quarter percent, coupled with lower production volume, leading to a decrease in assessment revenue. Total current assets covered current liabilities 5.0 times, also indicating good liquidity.

**California Avocado Commission
Management's Discussion and Analysis
Years Ended October 31, 2024 and 2023**

The Commission's liabilities primarily consist of current liabilities including accounts payable, accrued liabilities, deposits due, and current amounts due for lease liabilities and compensated absences, and fiduciary liability amounts held for AIP. Liabilities at the end of fiscal year 2024 totaled \$2,217,839, increasing from a balance of \$1,967,238 in 2023. This increase was due higher non-marketing obligations owed to vendors and increase in the fiduciary balance held for AIP. Liabilities at the end of fiscal year 2023 totaled \$1,967,238, decreasing from a balance of \$2,305,316 in 2022.

Net position consists of three categories: net investment in capital assets, restricted for marketing, and unrestricted. Net investment in capital assets represents the Commission's capital assets and right-of-use (ROU) assets net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction, lease commitment, or improvement of those assets.

At the end of fiscal years 2024 and 2023, the Commission had no net investment in capital assets decreasing from the 2022 year amount of \$25,422. This decrease is due to the depreciation and amortization of capital assets and ROU assets.

Restricted net position for marketing activities is subject to imposed restrictions by federal statutes governing their use. Restricted net position totaled \$4,096,170 at the end of 2024, increasing \$1,145,055 from the prior year amount of \$2,951,115, and decreasing \$1,183,496 between 2022 and 2023. Restricted net position represented approximately 25% and 40% of total net position or the years ended October 31, 2024 and 2023, respectively.

Unrestricted net position available for future activities at the end of fiscal year 2024 totaled \$11,993,130, increasing \$7,518,291 from the prior year amount of \$4,474,839. Unrestricted net position available for future activities at the end of fiscal year 2023 totaled \$4,474,839, decreasing \$2,978,677 from the 2022 amount of \$7,453,516.

Statements of Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating revenues	\$ 18,877,783	\$ 8,072,696	\$ 13,862,474
Operating expenses	<u>10,580,653</u>	<u>12,734,002</u>	<u>13,390,230</u>
Operating income (loss)	<u>8,297,130</u>	<u>(4,661,306)</u>	<u>472,244</u>
Nonoperating revenues	<u>366,216</u>	<u>473,711</u>	<u>734,786</u>
Change in net position	<u>8,663,346</u>	<u>(4,187,595)</u>	<u>1,207,030</u>
Net position, beginning of year	<u>7,425,954</u>	<u>11,613,549</u>	<u>10,406,519</u>
Net position, end of year	<u><u>\$ 16,089,300</u></u>	<u><u>\$ 7,425,954</u></u>	<u><u>\$ 11,613,549</u></u>

**California Avocado Commission
Management's Discussion and Analysis
Years Ended October 31, 2024 and 2023**

Operating revenues totaled \$18,877,783 in 2024, increasing \$10,805,087 or 134% from \$8,072,696 earned in 2023. This increase is due to an increase in assessment revenue received due to an increase in the assessment rate of a three quarters of a percent, coupled with increased production volume; 364 million pounds were reported in 2024 as compared to 233 million pounds in 2023. The majority of operating revenue consisted of assessment revenue, totaling \$18,816,783 (or 99.7% of total operating revenues). The remaining portion (0.3%) was from administrative and accounting fees of \$61,000.

Operating revenues totaled \$8,072,696 in 2023, decreasing \$5,789,778 or 42% from \$13,862,474 earned in 2022. This increase is due to an increase in assessment revenue received due to a reduction in the assessment rate of a quarter percent, coupled with lower production volume and value; 233 million pounds were reported in 2024 as compared to 276 million pounds in 2023. The majority of operating revenue consisted of assessment revenue, totaling \$8,001,336 (or 99.1% of total operating revenues). The remaining portion (0.9%) was from administrative and accounting fees generated from the AIP of \$60,996 and online merchandise sales of \$10,364.

Operating expenses totaled \$10,575,627 in 2024, decreasing \$2,158,375 or 17% from \$12,734,002 in 2023. This decrease was due to a reduction in marketing expenditures in response to anticipated crop volume. Operating expenses totaled \$12,734,002 in 2023, decreasing \$656,228 or 5% from \$13,390,230 in 2022. This increase is primarily due to decreased activities in marketing programs in 2023.

At the end of the fiscal year 2024, the Commission reported an ending net position of \$16,089,300, an increase of \$8,653,896 from the prior year amount of \$7,425,954. This was due to an increase in assessment revenue received from a larger than anticipated total crop volume at higher than budgeted value, which lead to operating revenue exceeding expenses.

At the end of the fiscal year 2023, the Commission reported an ending net position of \$7,425,954, a decrease of \$4,187,595 from the prior year amount of \$11,613,549. This was due to lower production volume and value, as well as operating expenses exceeding operating revenue with the intent of decreasing the Commission's year-end cash balance.

Capital Assets

The Commission had no net investments in capital assets as of October 31, 2024. This represents no change from the prior year 2023. The Commission had no net investment in capital assets of as of October 31, 2023, decreasing from the 2022 amount of \$25,422 (net of accumulated depreciation and amortization). The decrease represents the depreciation and amortization of capital assets and ROU assets during the respective fiscal year. All capital assets were fully depreciated as of October 31, 2023 and because lease liabilities exceeded ROU assets the difference is reflected in unrestricted net position.

Long-Term Liabilities

At the end of fiscal year 2024, the Commission's long-term liability which consisted of lease liabilities that amounted to \$101,170, a decrease of \$57,225 from the prior year balance of \$158,395. This decrease is due to payments made toward existing leases.

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Financial Statements

California Avocado Commission
Statements of Net Position
October 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 11,984,759	\$ 4,797,137
Assessments receivable	126,010	37,938
Other receivables	392,764	270,924
Prepaid expenses and deposits	31,480	38,835
Fiduciary cash and cash equivalents, amounts held for AIP	894,519	767,673
Restricted		
Cash and cash equivalents	4,192,841	2,341,414
Assessments receivable	431,530	850,637
Total current assets	18,053,903	9,104,558
NONCURRENT ASSETS		
Capital assets being amortized, net	253,236	288,634
Total assets	18,307,139	9,393,192
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	465,869	538,837
Accounts payable and accrued liabilities, payable from restricted assets	528,201	240,936
Fiduciary liabilities, amounts held for AIP	894,519	767,673
Lease liabilities, due within one year	164,445	144,153
Compensated absences, due within one year	63,635	117,244
Total current liabilities	2,116,669	1,808,843
NONCURRENT LIABILITIES		
Lease liabilities, due in more than one year	101,170	158,395
Total noncurrent liabilities	101,170	158,395
Total liabilities	2,217,839	1,967,238
NET POSITION		
Restricted for marketing	4,096,170	2,951,115
Unrestricted	11,993,130	4,474,839
Net position	\$ 16,089,300	\$ 7,425,954

See accompanying notes.

California Avocado Commission
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended October 31, 2024 and 2023

	2024	2023
OPERATING REVENUES		
Assessment revenue	\$ 11,632,609	\$ 3,494,156
HAB rebate assessment revenue (restricted)	7,184,174	4,507,180
Administrative and accounting fees	61,000	60,996
Other operating revenues	-	10,364
Total operating revenues	18,877,783	8,072,696
OPERATING EXPENSES		
Marketing	6,653,134	8,106,456
Nonmarketing programs	1,085,267	1,299,998
Administration	2,842,252	3,327,548
Total operating expenses	10,580,653	12,734,002
Operating income (loss)	8,297,130	(4,661,306)
NONOPERATING REVENUES (EXPENSES)		
Interest income	12,820	14,081
Interest expense	(5,060)	(2,152)
Grant income	131,461	261,056
Other income	226,995	200,726
Total nonoperating revenues, net	366,216	473,711
Change in net position	8,663,346	(4,187,595)
NET POSITION, beginning of year	7,425,954	11,613,549
NET POSITION, end of year	\$ 16,089,300	\$ 7,425,954

See accompanying notes.

California Avocado Commission
Statements of Cash Flows
Years Ended October 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 18,789,711	\$ 8,049,652
Cash payments to suppliers for goods and services	(8,234,505)	(10,304,056)
Cash payments to employees for services	(1,554,905)	(3,033,391)
Net cash from (used in) operating activities	9,000,301	(5,287,795)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds from grants	-	340,977
Other income	236,616	165,534
Net cash from non-capital financing activities	236,616	506,511
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on leases	(78,782)	(172,236)
Interest paid on leases	(5,060)	(2,152)
Net cash used in capital and related financing activities	(83,842)	(174,388)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on demand deposits and LAIF	12,820	14,081
NET CHANGE IN CASH AND CASH EQUIVALENTS	9,165,895	(4,941,591)
CASH AND CASH EQUIVALENTS and restricted cash, beginning of year	7,906,224	12,847,815
CASH AND CASH EQUIVALENTS and restricted cash, end of year	\$ 17,072,119	\$ 7,906,224
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 8,297,130	\$ (4,661,306)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Depreciation and amortization expense	77,247	211,572
Changes in assets and liabilities		
Decrease (increase) in assessments receivable	331,035	(727,983)
Decrease (increase) in prepaid expenses and deposits	7,355	12,629
Decrease (increase) in inventory	-	64,056
(Decrease) in accounts payable and accrued liabilities	214,297	43,714
(Decrease) increase in accounts payable and fiduciary liabilities	126,846	(180,691)
(Decrease) increase in compensated absences	(53,609)	(49,786)
Net cash from operating activities	\$ 9,000,301	\$ (5,287,795)

See accompanying notes.

California Avocado Commission

Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies followed by the California Avocado Commission (the Commission):

Activities of the Commission – The Commission is authorized under California law to engage in programs of advertising, promotion, marketing research, and production research related to the sale of California grown avocados. The Commission is authorized to levy an assessment against producers of avocados for the purposes of carrying out its programs. The assessment for the years ended October 31, 2024 and 2023, was 2.25% and 1.50% of the gross revenues received by producers, respectively. The Commission also receives 85% of the assessments collected by the Federal Hass Avocado Board (HAB) on Hass avocados produced in California and sold in the United States, which is restricted for use on marketing activities. HAB is authorized under the United States Department of Agriculture (USDA) to manage research and marketing throughout the United States.

The Commission's Board of Directors is composed of no fewer than eight and no more than ten producer members who do not handle avocados through the same legal entity under which they were elected as a producer member of the Commission, two handler members, and one public member.

Measurement focus, basis of accounting, and financial statement presentation – The Commission operates as an enterprise activity. An enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the Board of Directors is that the costs (expenses, including depreciation) of providing services to the industry on a continuing basis be financed or recovered primarily through assessment revenues.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Commission are assessment revenues and administrative and accounting fees. Operating expenses for enterprise funds include the cost of marketing programs, production research, industry affairs and administrative expenses, including depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Enterprise funds are accounted for on the flow of economic resources measurement focus, and use the accrual basis of accounting, whereby revenues are recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows.

When both restricted and unrestricted resources are available for use for marketing, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, liabilities, and net position

Cash equivalents – For purposes of the statements of cash flows, the Commission considers cash and funds invested in the Local Agency Investment Fund (LAIF) of the state of California (the State) for both restricted and unrestricted funds to be cash equivalents. Additionally, investments with original maturities of three months or less at the time of purchase are considered cash equivalents.

California Avocado Commission Notes to Financial Statements

Receivables – No allowance for uncollectible accounts has been recorded for the years ended October 31, 2024 and 2023. Management has evaluated the accounts and believes they are all collectible. Management evaluates all accounts receivable, and if it is determined that they are uncollectible, they are written off directly as a bad debt expense.

Capital assets – Capital assets consist of furniture, office equipment, leasehold improvements, software, and land improvements. The Commission capitalizes assets with values of \$10,000 or more and useful lives of greater than one year. Capital assets are valued at cost, or estimated historical cost, if actual historical cost is not available. Maintenance and repairs are charged to operations in the period incurred. Contributed assets are recorded at acquisition value on the date donated. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Capital assets are depreciated on the straight-line basis, using the following asset lives:

Asset Category	Years
Furniture	5
Office equipment	3
Leasehold improvements	5 (or term of lease, whichever is less)
Software	3
Land improvements	Remaining term of the property lease

Leases – The Commission, as a lessee, recognizes a lease liability and an intangible ROU asset at the commencement of a lease, unless the lease is considered a short-term lease or transfer of ownership of the underlying assets. ROU lease assets are measured based on the net present value of the payment, using the Commission’s weighted-average cost of capital, which approximates the Commission’s incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact to the lease liability.

The Commission calculates the amortization of the discount on the lease liability and reports that amount as outflow of resources in that period. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations and are recognized as outflows of resources in the periods on which the obligations for the payments are incurred.

Compensated absences – Commission employees may carry over accrued but unused vacation from one year to the next, but accrual may not exceed 1.5 times an employee’s annual accrual rate. Once an employee reaches their maximum accrual, they will stop accruing vacation until their balance falls below the established maximum. Upon termination, employees are paid for all accrued but unused vacation at their current rate of pay.

Compensated absences include accrued vacation that is available to employees in future years, either as time off or in cash (upon leaving the employment of the Commission). All compensated absences are accrued when incurred.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from such estimates.

California Avocado Commission Notes to Financial Statements

Fiduciary and restricted assets – Fiduciary assets are held for the AIP and are off-set by fiduciary liabilities. Restricted assets are restricted for marketing-related activities and are subject to restrictions imposed by federal statute governing their use.

Net position – Net position represents the difference between assets less liabilities. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of lease liabilities, bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if any. Net investment in capital assets excludes debt attributable to the unspent related debt proceeds amount. There was no outstanding debt related to capital assets at October 31, 2024 and 2023.

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At October 31, 2024 and 2023, the Commission had restricted net position in the amounts of \$4,096,170 and \$2,951,115, respectively, for marketing-related activities.

The unrestricted component of net position is the net amount of the assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

Note 2 – Detailed Notes on Assets and Liabilities

Cash and cash equivalents – Cash and cash equivalents consisted of the following at October 31:

	2024	2023
Petty cash	\$ -	\$ 240
Demand deposits	17,060,901	7,895,414
LAIF	11,218	10,570
Total cash and cash equivalents	\$ 17,072,119	\$ 7,906,224

LAIF – The Commission is a voluntary participant in the Local Agency Investment Fund (LAIF) which is regulated by California Government Code (CGC) Section 16429 under the oversight of the Treasurer of the State. The fair value of the Commission’s investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission’s pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The Commission considers its investments in the LAIF pool to be a demand deposit account (cash and cash equivalent) where funds may be withdrawn and deposited at any time without prior notice or penalty.

California Avocado Commission Notes to Financial Statements

Fair value measurement and application – GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Commission has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Deposits in an external government investment pool, such as LAIF, are not subject to reporting within the level hierarchy.

Investments authorized by the CGC and the Commission's investment policy – The Commission adopted CGC Section 16430 and the USDA Directive 2210.2 as its investment policy. The table below identifies the investment types that are authorized under CGC Section 16430, as well as certain provisions of CGC Section 16430 and USDA Directive 2210.2 that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
State Bonds and Notes	1 year	None	None
U.S. Treasury Obligations	1 year	None	None
U.S. Agency Securities	1 year	None	None
Bank Loans	1 year	None	None
Student Loan Notes	1 year	None	None
Obligations issued for Reconstruction and Development	1 year	None	None
Negotiable Certificates of Deposits	1 year	30%	None
Banker's Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	10%
Corporate Bonds and Notes	1 year	None	None
LAIF	N/A	None	\$75 million

California Avocado Commission
Notes to Financial Statements

Disclosures relating to interest rate risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Commission’s investments to market interest rate fluctuations is provided by the following table that shows the Commission’s investments by maturity:

	Remaining Maturity 12 Months or Less	
	2024	2023
LAIF	\$ 11,218	\$ 10,570

Disclosures relating to credit risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of credit risk – The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the CGC 16430. The Commission had no investments in any one issuer (other than external investment pools) that represented 5% or more of total Commission investments at October 31, 2024 and 2023.

Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The first \$250,000 of the bank balance was covered by the Federal Deposit Insurance Corporation (FDIC). The remaining balance was collateralized at 100% of the total amount deposited by the Commission in accordance with federal regulations set by the USDA.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

California Avocado Commission
Notes to Financial Statements

Capital Assets

	November 1, 2023	Additions	Deletions	October 31, 2024
Capital assets, being depreciated				
Furniture	\$ 187,904	\$ -	\$ (161,744)	\$ 26,160
Office equipment	61,002	-	-	61,002
Software	15,022	-	-	15,022
Land improvements	108,559	-	-	108,559
Total capital assets, being depreciated	<u>372,487</u>	<u>-</u>	<u>(161,744)</u>	<u>210,743</u>
Less accumulated depreciation for				
Furniture	187,904	-	(161,744)	26,160
Office equipment	61,002	-	-	61,002
Software	15,022	-	-	15,022
Land improvements	108,559	-	-	108,559
Total accumulated depreciation	<u>372,487</u>	<u>-</u>	<u>(161,744)</u>	<u>210,743</u>
Capital ROU assets, being amortized				
Buildings	711,121	41,849	-	752,970
Equipment	30,633	-	-	30,633
Total capital ROU assets, being amortized	<u>741,754</u>	<u>41,849</u>	<u>-</u>	<u>783,603</u>
Less accumulated amortization for				
Buildings	423,796	66,442	-	490,238
Equipment	29,324	10,805	-	40,129
Total accumulated amortization	<u>453,120</u>	<u>77,247</u>	<u>-</u>	<u>530,367</u>
Capital and ROU assets, net of depreciation and amortization	<u>\$ 288,634</u>	<u>\$ (35,398)</u>	<u>\$ -</u>	<u>\$ 253,236</u>

California Avocado Commission
Notes to Financial Statements

	November 1, 2022	Additions	Deletions	October 31, 2023
Capital assets, being depreciated				
Furniture	\$ 187,904	\$ -	\$ -	\$ 187,904
Office equipment	61,002	-	-	61,002
Software	15,022	-	-	15,022
Land improvements	108,559	-	-	108,559
Total capital assets, being depreciated	<u>372,487</u>	<u>-</u>	<u>-</u>	<u>372,487</u>
Less accumulated depreciation for				
Furniture	158,251	29,653	-	187,904
Office equipment	61,002	-	-	61,002
Software	15,022	-	-	15,022
Land improvements	99,154	9,405	-	108,559
Total accumulated depreciation	<u>333,429</u>	<u>39,058</u>	<u>-</u>	<u>372,487</u>
Capital ROU assets, being amortized				
Buildings	699,397	11,724	-	711,121
Equipment	45,843	27,197	(42,407)	30,633
Total capital assets, being amortized	<u>745,240</u>	<u>38,921</u>	<u>(42,407)</u>	<u>741,754</u>
Less accumulated amortization for				
Buildings	298,140	125,656	-	423,796
Equipment	24,873	46,858	(42,407)	29,324
Total accumulated amortization	<u>323,013</u>	<u>172,514</u>	<u>(42,407)</u>	<u>453,120</u>
Capital and ROU assets, net of depreciation and amortization	<u>\$ 461,285</u>	<u>\$ (172,651)</u>	<u>\$ -</u>	<u>\$ 288,634</u>

Depreciation expense \$39,058 for the year ended October 31, 2023. There was no depreciation expense for the year ended October 31, 2024. Amortization expense was \$77,247 and \$172,514 for the years ended October 31, 2024 and 2023, respectively.

California Avocado Commission Notes to Financial Statements

Long-Term Liabilities

	November 1, 2023	Additions	Deletions	October 31, 2024	Amount Due within One Year
Compensated absences	\$ 117,244	\$ -	\$ (53,609)	\$ 63,635	\$ 63,635
Lease liabilities	302,548	41,849	(78,782)	265,615	164,445
	<u>\$ 419,792</u>	<u>\$ 41,849</u>	<u>\$ (132,391)</u>	<u>\$ 329,250</u>	<u>\$ 228,080</u>
	November 1, 2022	Additions	Deletions	October 31, 2023	Amount Due within One Year
Compensated absences	\$ 167,030	\$ 140,840	\$ (190,626)	\$ 117,244	\$ 117,244
Lease liabilities	435,863	38,921	(172,236)	302,548	144,153
	<u>\$ 602,893</u>	<u>\$ 179,761</u>	<u>\$ (362,862)</u>	<u>\$ 419,792</u>	<u>\$ 261,397</u>

Lease liabilities – The Commission recognizes a ROU asset and lease liability for all non-short-term leases (contracts of 12 months or less). At the time of commencement or conversion of a lease, the Commission includes all possible extension periods that are deemed to be reasonably certain given all available information in the term of a lease. Unless explicitly stated in the lease agreement, a discount rate is used to calculate the initial lease ROU asset and liability. Variable payments based on the future performance of the lessor or the Commission or usage of the underlying asset are not included in the measurement of lease assets or liabilities. For the fiscal years ended October 31, 2024 and 2023, all Commission leases were based on fixed payments and did not have variable payment components. For the fiscal years ended October 31, 2024 and 2023, the Commission did not have to remeasure any lease liabilities due to (1) early termination of a lease; (2) reduction in the monthly lease payment; or (3) change in the discount rate.

In November 2009, the Commission entered into a lease agreement for the current office space located in city of Irvine, California, under a five-year lease ended November 30, 2014, which was extended to November 30, 2025. The lease agreement does not contain other renewal periods and management will evaluate extension of the lease closer to its term date. During the years ended October 31, 2024 and 2023, the Commission paid \$130,043 and \$125,895, respectively for use of the space. The Commission used an incremental borrowing rate of 0.38% as of November 1, 2020, as the discount rate in establishing the initial asset and liability. Subsequent to the 2022 fiscal year end, this office space experienced significant damage due to flooding from a burst pipe, repairs of which were primarily covered by the lessor and/or insurance. No impairments to the remaining asset or liability balance were assessed as a result of this coverage. Certain rent payments were abated by the landlord for the period the space was not available to carry out operations.

California Avocado Commission

Notes to Financial Statements

On July 1, 2013, the Commission entered into a lease agreement for its Pine Tree Ranch location in the city of Santa Paula, California, under a ten-year lease which ended on June 30, 2023. The original lease allowed for an option to extend for two five-year periods based on the current market rental value of the property at the time of commencement of the option. A short-term renewal was executed in the interim until negotiations concluded and the new term ending March 31, 2029 commenced on April 1, 2024. During the years ended October 31, 2024 and 2023, the Commission paid approximately \$24,905 and \$24,900, respectively for rent including rent paid for a garage on the property for \$100 a month.

The Commission has entered into agreements to lease various printers, scanners, and a postage machine. The average term for each lease is three years with total payments of approximately \$1,500 per month. Some agreements allow for continuation of payments until the equipment is returned. None of the terms guarantee a buy-out of the asset. The Commission used the risk-free rates from the U.S. Treasury ranging from 0.16% to 0.20% as of November 1, 2020, as the discount rate in establishing the initial asset and liability. Two of the lease arrangements were entered into during the year ended October 31, 2024. For those leases the Commission used the risk-free rates ranging from 3.88% to 4.22%.

Future principal and interest payments to be made under these leases for each of the next three years are as follows:

	Principal	Interest	Total
Years Ending October 31,			
2025	\$ 164,379	\$ 5,775	\$ 170,154
2026	37,067	4,033	41,100
2027	24,818	2,740	27,558
2028	39,351	1,442	40,793
	\$ 265,615	\$ 13,990	\$ 279,605

Note 3 – Other Information

Avocado Inspection Program – During February 1986, the Commission contracted with the State Department of Food and Agriculture to administer the AIP for the State. Since the Commission is, in substance, an agent for the State, fiduciary cash and cash equivalents, amounts held for the AIP, are offset by fiduciary liabilities, amounts held for the AIP. As of October 31, 2024 and 2023, \$894,519 and \$767,673, respectively, was held by the Commission for the AIP.

On October 10, 2012, the Commission entered into a lease agreement on behalf of the AIP for office space within the city of Escondido, California, under a three-year lease ended September 30, 2015. The Commission has executed multiple-year extensions since 2015, with the most recent extended to September 30, 2025. The Commission also entered into a lease agreement on behalf of the AIP for office space within the city of Santa Paula, California, on May 1, 2013 under a three-year lease ended April 30, 2016. The Commission has executed multiple-year lease extensions since 2016, with the most recent extended to April 30, 2027.

During the years ended October 31, 2024 and 2023, the payments made totaled \$33,857 and \$32,440, respectively, for AIP office rent, exclusive of operating expenses.

California Avocado Commission

Notes to Financial Statements

Line of credit – On March 8, 2011, the Commission obtained a revolving line of credit from Bank of the West, in the amount of \$3,000,000, with a variable interest rate at prime rate plus 0.5% and a floor of 4.0%. The line of credit matured on May 29, 2023. In February 2024, a new line of credit was entered into with BMO Bank in the amount of \$3,000,000 that matured in December 2024 and was not renewed. This new line of credit accrued interest at a variable rate set at the prime rate plus 4.0%. At October 31, 2024 and 2023, there was no outstanding balance due on the line of credit.

Risk management – *Insurance Programs of the Commission* – The Commission's coverage is as follows:

Commercial general liability – insured by Fireman's Fund Insurance – General aggregate coverage of \$2,000,000 and \$1,000,000 for each occurrence.

Automobile liability – insured by Fireman's Fund Insurance – Coverage is \$1,000,000 per bodily injury or property damage, subject to a \$300 deductible.

Crime liability – insured by Travelers Casualty and Surety – Coverage is \$1,000,000, subject to a \$5,000 deductible.

Umbrella liability – insured by Fireman's Fund Insurance – General aggregate coverage of \$5,000,000 and \$5,000,000 for each occurrence.

Travel accident liability – insured by Hartford Life Insurance Company – Coverage is \$100,000 per person and \$500,000 per aggregate limit.

Directors and officers liability and employment practices liability – insured by Great American Insurance Company – Coverage is \$5,000,000 aggregate limit, with a \$25,000 retention.

Fiduciary liability – insured by U.S. Specialty Insurance Company – Coverage is \$1,000,000 each claim and in aggregate, subject to a \$2,500 deductible.

Media content/network security and privacy – insured by Lloyds of London – Coverage is \$1,000,000 each claim and in aggregate, with a \$25,000 self-insurance retention for each loss.

Foreign liability – insured by ACE American Insurance Company – General aggregate coverage of \$2,000,000 and \$1,000,000 for each occurrence.

International business auto – insured by ACE American Insurance Company – Coverage is \$1,000,000 hired or non-owned auto liability and \$50,000 medical payment each person/accident.

International foreign voluntary workers' compensation and employer liability – insured by ACE American Insurance Company – Coverage is \$1,000,000 per occurrence.

Workers' compensation coverage – insured by Employers Preferred Insurance Company – Coverage is \$1,000,000 per occurrence.

Cyber – insured by At-Bay Specialty Insurance Company – Coverage is \$1,000,000 per occurrence with a \$5,000 self-insurance retention.

California Avocado Commission Notes to Financial Statements

Adequacy of protection – During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded insured coverage. There have been no significant changes in insurance coverage during fiscal year 2024.

Employee retirement plans – The Board of Directors of the Commission implemented a defined contribution plan, California Avocado Commission Profit Sharing Plan (PSP), administered by “The Retirement Plan Company,” for eligible Commission employees effective November 1, 2000. The Commission’s payroll for the employees eligible to participate in the PSP for the plan year ended October 31, 2024, was \$1,230,386. Total payroll for the employees eligible to participate in the PSP for the plan year ended October 31, 2023, was \$1,053,430. Total contributions for the years ended October 31, 2024 and 2023, were \$123,039 and \$105,343, respectively.

The Commission may make annual contributions to the PSP, with each eligible employee receiving an allocation of 10% of compensation. In addition, the PSP allows for the Commission to establish an additional amount, if any, to be contributed and allocated on behalf of certain designated employees. The PSP stipulates that the Internal Revenue Service Code, Section 415, shall govern limitations on annual PSP contributions, which were \$66,000 for the plan year ended October 31, 2024, and \$61,000 for the plan year ended October 31, 2023. To receive an allocation, each employee must meet a minimum service requirement of one year and must be credited with at least 1,000 hours of service.

Concentration of revenue sources – Approximately 98% of the Commission’s assessment revenue is derived from ten handlers for the year ended October 31, 2024.

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Supplementary Information

California Avocado Commission
Budgetary Comparison Schedule
Year Ended October 31, 2024
(with Comparative Actual Totals for the Year Ended October 31, 2023)

	Budget	Actual	Variance Favorable (Unfavorable)	2023 Actual
REVENUES				
Assessment revenue	\$ 5,045,625	\$ 11,632,609	\$ 6,586,984	\$ 3,494,156
HAB rebate assessment revenue (restricted)	3,952,500	7,184,174	3,231,674	4,507,180
Administrative and accounting fees	61,000	61,000	-	60,996
Interest income	6,000	7,760	1,760	11,929
Grant revenue	300,000	131,461	(168,539)	261,056
Merchandise Shop revenue	-	-	-	10,364
Other income	135,000	226,995	91,995	200,726
Total revenues	9,500,125	19,243,999	9,743,874	8,546,407
EXPENSES				
Marketing				
Consumer marketing	3,615,000	3,682,135	(67,135)	4,637,963
Merchandising	2,481,000	2,127,186	353,814	2,138,416
Foodservice	537,500	495,361	42,139	659,402
Consumer/Trade Living Well	-	-	-	85,494
Consumer public relations	192,500	189,749	2,751	461,128
Merchandise Shop	-	-	-	13,146
Marketing activities support	177,500	158,703	18,797	110,907
Total marketing	7,003,500	6,653,134	350,366	8,106,456
Non-marketing programs				
Industry affairs	1,211,475	714,127	497,348	778,458
Production research	273,679	239,679	34,000	285,609
Grant expenses	300,000	131,461	168,539	235,931
Total non-marketing programs	1,785,154	1,085,267	699,887	1,299,998
Administration				
Administration	2,732,402	2,594,960	137,442	2,989,795
Information systems	134,937	88,008	46,929	132,834
Depreciation/Amortization	-	159,284	(159,284)	204,919
Total administration	2,867,339	2,842,252	25,087	3,327,548
Total expenses	11,655,993	10,580,653	1,075,340	12,734,002
Change in net position	(2,155,868)	8,663,346	10,819,214	(4,187,595)
NET POSITION, beginning of year	7,425,954	7,425,954	-	11,613,549
NET POSITION, ending of year	\$ 5,270,086	\$ 16,089,300	\$ 10,819,214	\$ 7,425,954

California Avocado Commission
Note to Supplementary Information
October 31, 2024 and 2023

Note 1 – Budgetary Information

Budgets and budgetary accounting – Each year, the California Avocado Commission (the Commission) adopts a budget that provides for its general operations. Budgets are prepared on the accrual basis of accounting. Department heads are responsible for preparing and presenting their departmental budgets. Each department head is required to meet with the President and Vice President of Industry Affairs and Operations of the Commission to review each line item. The overall combined budget is prepared by the President and Vice President of Industry Affairs and Operations of the Commission and presented to the Board of Directors. Line-item transfers do not need Board of Directors approval. Any increases in a department's budget must be approved by the Board of Directors.

California Avocado Commission
Combining Statement of Revenues, Expenses, and Changes in Net Position
Year Ended October 31, 2024

	Restricted	Unrestricted	Total
OPERATING REVENUES			
Assessment revenue	\$ -	\$ 11,632,609	\$ 11,632,609
HAB rebate assessment revenue (restricted)	7,184,174	-	7,184,174
Administrative and marketing fees	-	61,000	61,000
Total operating revenues	<u>7,184,174</u>	<u>11,693,609</u>	<u>18,877,783</u>
OPERATING EXPENSES			
Marketing	6,042,441	610,693	6,653,134
Nonmarketing programs	-	1,085,267	1,085,267
Administration	-	2,842,252	2,842,252
Total operating expenses	<u>6,042,441</u>	<u>4,538,212</u>	<u>10,580,653</u>
Operating income	<u>1,141,733</u>	<u>7,155,397</u>	<u>8,297,130</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	3,322	9,498	12,820
Interest expense	-	(5,060)	(5,060)
Grant income	-	131,461	131,461
Other income	-	226,995	226,995
Total nonoperating revenues, net	<u>3,322</u>	<u>362,894</u>	<u>366,216</u>
Change in net position	1,145,055	7,518,291	8,663,346
NET POSITION, beginning of year	<u>2,951,115</u>	<u>4,474,839</u>	<u>7,425,954</u>
NET POSITION, ending of year	<u>\$ 4,096,170</u>	<u>\$ 11,993,130</u>	<u>\$ 16,089,300</u>

California Avocado Commission
Schedule of Restricted Marketing Program Expenses
Year Ended October 31, 2024

	Restricted	Budget
Marketing programs		
Media	\$ 2,077,784	\$ 2,177,500
Account administration	275,836	190,000
Online marketing	447,477	410,000
Consumer marketing - retail	843,537	800,000
Subtotal consumer advertising	<u>3,644,634</u>	<u>3,577,500</u>
Consumer public relations	24,926	25,000
Local media outreach, pitching, experiential & reporting	56,959	52,500
Brand advocates	4,212	115,000
Subtotal consumer public relations	<u>86,097</u>	<u>192,500</u>
Marketing/planning meetings	<u>134,143</u>	<u>132,500</u>
Subtotal marketing activities	<u>134,143</u>	<u>132,500</u>
Trade relations	514,316	510,300
Retail promotions	999,432	1,447,500
Data, research, and analysis	113,596	111,000
Administration and other	71,752	66,000
Subtotal trade - retail	<u>1,699,096</u>	<u>2,134,800</u>
Education program	1,860	2,000
Public relations and collateral materials	66,409	83,700
Program administration	47,789	44,500
Foodservice events	173,000	164,100
Chain promotions	189,413	223,600
Subtotal foodservice	<u>478,471</u>	<u>517,900</u>
Total marketing	<u>6,042,441</u>	<u>6,555,200</u>
Total program expenses	<u>\$ 6,042,441</u>	<u>\$ 6,555,200</u>

**Report of Independent Auditors on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

The Board of Directors
California Avocado Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the California Avocado Commission as of and for the year ended October 31, 2024, and the related notes to the financial statements, which collectively comprise the California Avocado Commission's basic financial statements, and have issued our report thereon dated _____, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the California Avocado Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the California Avocado Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the California Avocado Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the California Avocado Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Irvine, California

_____, 2025



ITEM 9.b-d: CONSIDER RESEARCH PROPOSALS:

B. CONSIDER PROPOSAL “SURVEYS FOR AVOCADO FRUIT FEEDING INSECT PESTS IN GUATEMALA”

C. CONSIDER PROPOSAL “CHEMICAL SYNTHESIS AND FIELD EVALUATION OF AN ENANTIOPURE (+)-GRANDISOL, THE PUTATIVE AVOCADO SEED WEEVIL (HEILIPUS LAURI) AGGREGATION PHEROMONE”

D. CONSIDER PROPOSAL “DELIMITING CRYPTIC SPECIES WITHIN AVOCADO SEED MOTH, STENOMA CATENIFER FOR IMPROVED MANAGEMENT AND CONTROL OF AN ECONOMICALLY IMPORTANT PEST”

SUMMARY:

The Production Research Committee is meeting on Monday, February 17, 2025, to discuss a funding recommendation for the three proposals listed above.

The first project is to update pest survey work that was conducted in Guatemala in 2006-2009. Imported fruit poses a risk of introducing unknown pests and diseases that could be detrimental to the California avocado industry. Avocado fruit from Guatemala was recently approved for importation into the US by USDA-APHIS and insects associated with fruit in Guatemala may pose an unknown risk to California avocado growers. Previous pest survey work covered only a small portion of the avocado growing regions in Guatemala and there may be additional unknown pests in the un-surveyed growing regions that pose a risk to California avocados.

The second project is to complete work previously funded by CAC and CDFA to identify the aggregation pheromone of the avocado seed weevil, a high-risk pest for introduction into California through imported fruit. The aggregation pheromone was identified as grandisol and simple syntheses of this chemical result in mixtures of several different forms (i.e., enantiomers) of this molecule. Unfortunately, field evaluations of these impure mixtures were not attractive to weevils in heavily infested Hass orchards in México. Thus, it is believed the weevils may only respond to the pure biologically-active form of grandisol and the impurities when present do not attract weevils. This research aims to develop an efficient method for synthesizing pure grandisol for use in monitoring programs in exporting countries as well as for early detection of any possible introduction in California.

The third project aims to understand the species complex that makes up the pest known as the avocado seed moth. The avocado seed moth, *Stenoma catenifer*, is an avocado pest of major economic importance in the Neotropics, which encompasses its native range. This pest is a significant threat to the California avocado industry, where it is not yet established. Identifying this species is challenging, as adults possess few distinguishing external morphological characteristics besides a “C” pattern of black dots on the forewings. Based on the behavior of this pest in different countries within its native range, it is now believed that the lack of identifying characteristics may have led to the misclassification of a group of closely related species as one species. Understanding the identity of these pests is important for understanding the risks they pose as well as for proper identification in work plans for fruit importation.

The Committee’s recommendation will be presented during the Board meeting.

FISCAL ANALYSIS:

- If approved, these projects will have a total cost of \$1,119,044 over two years (24 months) spanning three CAC fiscal years, with an estimated cost of \$373,015 in FY 2024-25, \$559,522 in FY 2025-26, and \$186,507 in FY 2026-27. This funding will require a budget amendment for the 2024-25 fiscal year.

BOARD OPTIONS:

- Accept the PRC's recommendation
- Modify the PRC's recommendation
- Take no action

STAFF RECOMMENDATION:

- Pending PRC discussion and recommendation

PROJECT SUGGESTION: Surveys for avocado fruit feeding insect pests in Guatemala

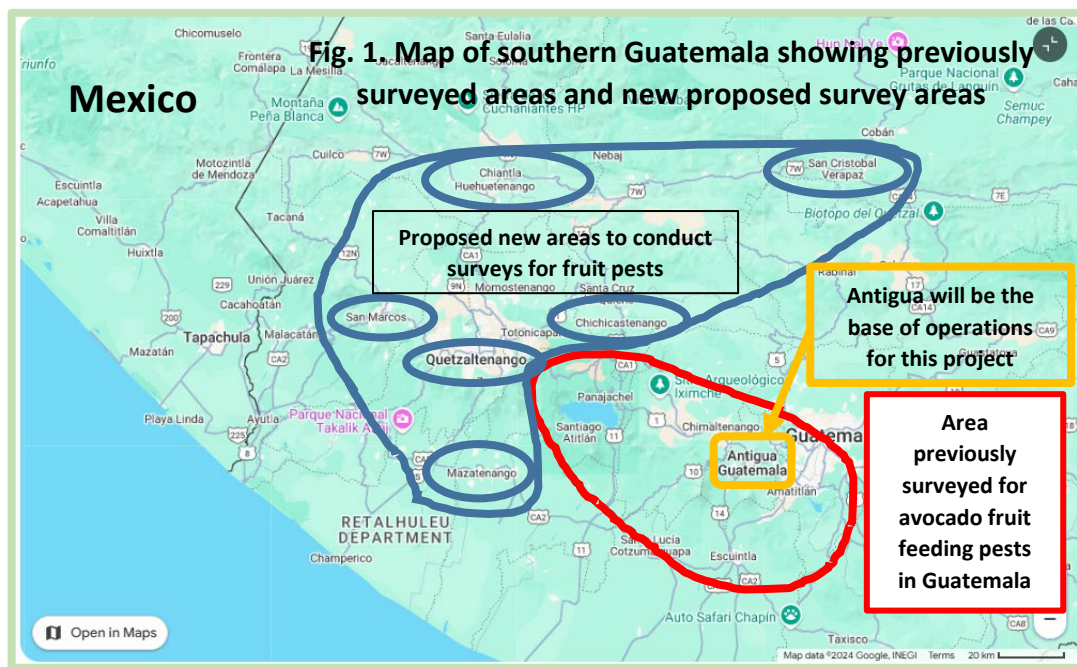
PI: Mark Hoddle, Department of Entomology, University of California Riverside

1. Pest Research Highlight Priority Topic: This project addresses *High Priority Research Topic 24:* Imported fruit poses a risk of introducing unknown pests and diseases that could be detrimental to the California avocado industry. Avocado fruit from Guatemala was recently approved for importation into the US by USDA-APHIS and insects associated with fruit in Guatemala may pose an unknown risk to California avocado growers.

2. Concept Synopsis: At the request of the California Avocado Commission, surveys for fruit feeding pests associated with avocado fruit in Guatemala will be conducted. This project will build on previous research conducted on avocado fruit feeding moths in Guatemala from 2006-2009. However, unlike previously completed studies, fruit surveys will focus primarily on areas in Guatemala that were not intensively surveyed in earlier studies that were conducted around Antigua, Chimaltenango, Santiago Atitlán, and Escuintla over 2006-2009. One large previously unsurveyed area to the north of previously surveyed areas that is of particular interest is encompassed by moderate to high elevation avocado growing areas such as Quetzaltenango, Huehuetenango, San Marcos, Chichicastenango, San Cristóbal Verapaz, and one lower elevation production area to the west, Mazatenango. Hass avocado production within parts of this circumscribed area was “up and coming” when earlier surveys for fruit feeding pests were conducted.

3. Project Objectives: This project has one simple objective:

- i. To collect as much avocado fruit as possible from six distinct geographic locations: (1) Quetzaltenango, (2) Huehuetenango, (3) San Marcos, (4) Chichicastenango, (5) San Cristóbal Verapaz, and (6) Mazatenango that have not been previously surveyed for avocado fruit pests (Fig. 1).



ii. Fruit from these six areas of interested will either be collected with permission from small scale low input avocado growers, or as was done previously and with great success, purchased in large quantities from street vendors (Fig. 2A). Fruit will be placed in bugdorms (Fig. 2B) labeled by locality and date and all insects infested fruit will be reared out and preserved in 95% ethanol for future identification and DNA analyses. Fruit collections will be made in Guatemala over the “dry season,” December – June.



Fig. 2A. Hoddle holding a sack of avocado fruit purchased from roadside vendors. These fruit were held in bugdorms and insects were subsequently reared from them.



Fig. 2B. A spare bedroom in a rented house in Antigua was used as a laboratory to rear out insects from avocado fruit held in labeled bugdorms. The plastic tables, rearing bins under tables, and free standing heater/fan were all purchased in Guatemala to set up this lab.

4. Anticipated Project Duration: 2 years. Starting December 2025.

5. Total Estimated Project Cost: \$510,202

Personnel: Funds to hire a Specialist II at 100% time for years 1 and 2 of this project are requested. Annual salary is \$90,000 in year 1 and \$92,700 in year 2. The Specialist is fluent in Spanish, is very familiar with Guatemala having worked with the PI on fruit pest surveys in this country previously. Specialist will assist with all aspects of field and lab work in Guatemala and will take the lead in logistics organization pre and post travel and for curating and processing all collected insects after returning from Guatemala. Total salary request = \$182,700.

Benefits: Benefits are set at 43.7% and are estimated to be \$39,330 in year 1 and \$40,510 in year 2. Total benefits = \$79,840.

Total Salary and Benefits: Year 1 = \$129,330, year 2 = \$133,210. Grand total requested = \$262,540.

Supplies: Funds to purchase bugdorms (light weight collapsible insect rearing cages) for rearing insects from collected fruit are requested and estimated by to be \$6,000 in year 1 and \$4,000 in year 2. Total request for bugdorms = \$10,000. Funds are requested to purchase fruit from roadside vendors in areas

being surveyed for avocado fruit pests. \$1,500 is estimated in year 1, and \$1,575 for year 2. Total request for fruit purchases = \$3,075. Field supplies (i.e., vials, note books, ethanol, flagging tape, indelible markers, Stenoma pheromone, heaters and fans to moderate temperature in the insect rearing “labs” (i.e., the spare bedrooms) is estimated at \$2,200 in year 1 and \$2,310 in year 2 for a grand total of \$4,510 for both years of this project.

Total Supply Costs: Year 1 estimated at \$9,700, year 2 at \$7,885 for a grand total of \$17,585 for both years of this project.

Publications: One publication in a peer reviewed entomological journal is anticipated in year 1 at \$3,800 and year 2 at \$3,990. Total publication costs for two peer reviewed articles on the results of fruit surveys is estimated at \$7,790.

Travel:

Airfares and excess luggage costs: Round trip airline tickets, LAX to Guatemala City are estimated at \$800 per person. Cost of tickets for two people in year 1 is estimated at \$1,600 and in year 2 at \$1,648. Excess baggage to move all necessary materials from California to Guatemala is estimated at \$120/bag and up to four extra suitcases per person are likely to be needed. Cost is estimated at \$960 in year 1 and \$989 in year 2 for a total of \$1,949 for both years of this project.

Accommodation: This project will be based in Antigua, a relatively safe city in Guatemala and one that is popular with foreigners. Consequently, accommodation in this city is expensive. An Air BnB search for a 4 bedroom house (spare bedrooms are needed as labs for setting up rearing cages [see Fig. 2B above]) in Antigua in a secure guarded compound (24 hr security) returned a monthly rental estimate of \$5,500. For six months in year 1, rental accommodations are estimated at \$33,000 and in year 2 at \$33,900. Total rental estimates for year 1 and year 2 are estimated at \$66,900.

Because the proposed new survey areas are long distances from Antigua (See map, Fig. 1) it will be necessary to rent hotel rooms/Air BnB outside of Antigua for multiple multi-day excursions into areas where fruit will be collected. Decent and secure accommodation in these towns can be expensive, and may require stays within private and secure residences. Estimated cost per night of overnight stays is estimated at \$120/night, with 10 nights per month for each of 6 months being required to achieve survey goals. Total cost of hotel stays outside of Antigua is estimated at \$7,200 in year 1 and \$7,416 in year 2. Total hotel costs for years 1 and 2 are estimated at \$14,616.

Incidentals: The Federal Govt. daily incidentals and expenses cost for areas in Guatemala outside of Guatemala City are set at \$80/day/person. Total incidentals/meals costs for two people for 6 months is estimated at \$26,880 in year 1 and \$27,686 in year 2 for a grand total of \$54,566 for both years of this project.

Transportation: Overland travel in Guatemala is difficult. Roads are often in poor condition (the exceptions are toll roads which can be expensive to travel on) and drivers are outrageously dangerous. Therefore to accommodate the demands of bad roads, especially in rural areas where avocados are grown a 4WD SUV will be needed to get to sites and to have “secure” storage for purchased fruit. Vehicle rental and insurance costs are very high in Guatemala because of risk of theft and accidents. The best estimate for a mid-size SUV hired at Guatemala City International Airport with full insurance is

\$200/day. Total rental cost for 6 months for year 1 of this project will be \$33,600 and in year 2 the cost is estimated at \$34,608. Total vehicle rental for both years of this project is estimated at \$68,208.

Gas in Guatemala is expensive and a lot of driving is anticipated to get to field sites each month of this project. Total gas cost is estimated at \$450/month and will cost \$2,700 in year 1 and \$2,835 in year 2 for a total cost of \$5,535 for both years of this project.

Whenever possible toll roads will be taken in and out of major cities. Toll roads tend to be in reasonable condition and are regularly patrolled by police which reduces risks to drivers. Additionally, parking of vehicles on streets is very risky and secure 24 hr parking areas are needed to park vehicles overnight, especially when staying in hotels or even when visiting small towns to buy fruit during the day. Cost of tolls and secure parking in year 1 is estimated at \$500 and in year 2 at \$525. Total cost of tolls and secure parking for year 1 and 2 of this project is estimated at \$1,025.

Professional Meeting: Funds are requested to attend one professional entomology conference in years 1 and 2 of this project to present results of field surveys. Cost of meeting attendance (registration, flights, hotel, meals) is estimated at \$3,000 in year 1 and \$3,150 in year two for a grand total of \$6,150.

Total Travel Costs: Six months in Year 1 = \$109,440, six months in year 2 = \$112,847. Grand total for 12 months of travel in Guatemala spread over 2 years = \$222,287.

Grand Totals: Total project cost in year 1 is estimated at \$252,270, year 2 = \$257,932, total project costs for years 1 and 2 combined = \$510,202.

PROJECT SUGGESTION: Chemical Synthesis and Field Evaluation of an Enantiopure (+)-Grandisol, the Putative Avocado Seed Weevil (*Heilipus lauri*) Aggregation Pheromone

PI: Kevin Kou, Department of Chemistry, UC Riverside

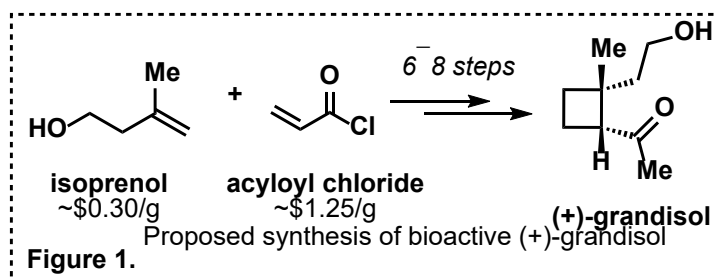
Co-PI: Mark Hoddle, Department of Entomology, UC Riverside

1. Pest Research High Priority Topic: *Risk of importing Heilipus weevil-infested avocados that could be detrimental to the California avocado industry.*

2. Concept Synopsis: The aggregation pheromone of the avocado seed weevil, *Heilipus lauri* has been identified from a previously supported CAC project. This complex molecule is grandisol and simple syntheses result in mixtures of several different forms (i.e., enantiomers) of this molecule. Unfortunately, field evaluations of these impure mixtures were not attractive to weevils in heavily infested Hass orchards in México. This finding has led us to conclude that weevils may only respond to the pure biologically-active form of grandisol and the impurities when present do not attract weevils. Despite over thirty synthetic strategies reported for the preparation of grandisol, most yield a mixture of biologically-active and inactive enantiomers, while methods targeting a single enantiomer produce impractical milligram quantities of the pheromone.^{1,2} We propose developing a concise synthesis approach to access significant quantities of bioactive (+)-grandisol. The pure bioactive form of grandisol will be field tested in weevil infested Hass avocado orchards in México. If successful, this aggregation pheromone will be a very powerful tool for monitoring for weevil presence in export areas of México where this weevil is native, and Colombia where this pest is invasive. Additionally, the pheromone will be invaluable for monitoring for weevil incursions into California.

3. Project Objectives:

- I. Synthesize >1 gram of (+)-grandisol starting from racemic (\pm)-grandisol. We will develop a kinetic resolution method using the Corey-Bakshi-Shibata reagent to separate the inactive (–)-enantiomer. This is a low-risk approach to quickly generate enough of the active pheromone for initial field studies.
- II. Advance a short synthesis route to (+)-grandisol starting from readily accessible reagents isoprenol and acryloyl chloride (Figure 1). Two approaches are envisioned: one incorporates the method established in **Project Objective I**, while the other explores a novel chemical reaction to construct the pheromone's four-membered ring as a single enantiomer. The latter approach offers a 100% increase in yield, as it avoids the 50% yield loss from the kinetic resolution method, which requires removal of the inactive (–)-pheromone that accounts for half the material. Both methods are designed to be scalable for manufacturing.
- III. Conduct field studies in México to evaluate the efficacy of enantiopure (+)-grandisol in trapping *Heilipus* weevils, as previous field testing showed racemic (\pm)-grandisol to be ineffective.



4. Anticipated Project Duration: 2 years

5. Estimated Total Project Cost: Total \$349,212

- I. **Salaries and Benefits:** One post-doctoral fellow (\$71,362) + employee benefits (\$15,974 @ 22.4%) at 100% time in year 1 and 50% time in year 2. Post-doctoral fellow will conduct

California Avocado Commission

experiments, record observations and results, as well as analyze data. Total salary (\$108,113) and benefits (\$24,217) = \$132,331. Specialist II, Entomology, to assist with field work in México at 33% time in yr 1 and 2, salary = \$29,568 (yr 1) and \$30,455 (yr 2) and benefits at 26% = \$7,688 (yr 1) and \$7,918 (yr 2). Total salary and benefits for yrs 1 & 2 = \$75,629. **TOTAL SALARIES FOR PROJECT = \$219,615**

- II. **Supplies:** Consumable supplies and reagents (\$12,000 in yr 1 and \$4,000 in yr 2. Total reagents = \$16,000) will support chemical synthesis experiments. Sticky cards for field trials (white, blue, green, yellow, and purple) to test attraction for weevils with pheromone = \$6,000 yr 1 and \$3,000 in yr 2. Total cost of sticky cards = \$9,000. Field supplies for pheromone testing in México (flagging tape, vials, ethanol, note books, markers), \$1,500 in yr 1 and \$500 in yr 2. **TOTAL SUPPLIES FOR PROJECT = \$27,000**
- III. **Equipment:** UV Photoreactor (\$7,000). The photoreactor provides ultraviolet (UV) irradiation for photochemical experiments and synthesis of grandisol and this equipment safely encloses and isolates reactive UV radicals. **TOTAL EQUIPMENT COST = \$7,000**
- IV. **Analytical Services:** Analytical Chemistry Instrumental Facilities needed for confirming and characterizing chemical intermediates and products synthesized. Estimated cost is \$5,000 in yr 1 and \$2,500 in yr 2. **TOTAL ANALYTICAL SERVICES COST = \$7,500**
- V. **Publication Costs:** Estimated publication costs in yr 2 of project for grandisol synthesis = \$3,000 and for entomological field trials with grandisol in México = \$3,000. **TOTAL PUBLICATION COSTS = \$6,000.**
- VI. **Travel to Meetings and México for Field Work:** Cost to attend one professional O-Chem conference, PacifiChem, to present results of grandisol synthesis work = \$3,000. Travel to one professional entomology meeting to present results of field work in México = \$3,000. Return air flights from LAX to México City for 2 people at \$600 round trip = \$1,200 in yr 1 and \$1,236 in yr 2, total air flights = \$2,436. Air BnB, three bedroom house in Malinalco at \$250/night for 56 nights (i.e., 8 weeks) = \$14,000 in yr 1 and \$14,420 in yr 2, total accommodation = \$28,420. Meals and incidentals for two people in Malinalco based off of the US Federal rate for México City = \$122/day. Malinalco is close to MX City and estimated at \$80/day per person for 56 days = \$8,960 for yr 1 and \$9,229 in yr 2, total for yr 1 and 2 = \$18,189. Rental car to get to field sites in and around Malinalco with full insurance estimated at \$150/day. For 56 days rental car cost = \$8,400 in yr 1 and \$8,652 in yr 2, total rental car cost = \$17,052. **TOTAL TRAVEL COSTS FOR YR 1 AND 2 = \$72,097.**
- VII. **Contract with Cooperators in México:** We have previously conducted field work on *Heilipus* weevils in México with Dr. Armando Martínez-Equihua, a professor in entomology at the post-graduate college in Texcoco México. This has been an excellent arrangement. Dr. Martínez-Equihua is a preeminent avocado pest researcher in México whose previous assistance has been invaluable in procuring access to field sites for medium-term field studies on *Heilipus*. Assistance with Mexican cooperators for this project will be essential if it is to be successful. To facilitate this cooperation, Dr. Martínez-Equihua will require \$5,000 in yr 1 and yr 2 for a **total of \$10,000** to help with negotiations with Comité Estatal de Sanidad Vegetal del Estado de México, in Malinalco and Coatepec-Harinas, México to locate and access field sites and to get permission from orchard owners, to assist with on the ground logistics, and to participate in planning and execution of field trials.

References Cited: 1) dos Santos, M. K. *et al. Mini-Rev. Org. Chem.* **2021**, *18*, 690.

California Avocado Commission

2) Bartlett, W. R. *et al.* *Synthesis* **2022**, *54*, 3209.

Delimiting cryptic species within avocado seed moth, *Stenoma catenifer* for improved management and control of an economically important pest

Mark Hoddle, Department of Entomology, University of California, Riverside, CA 92521 mark.hoddle@ucr.edu 1-951-675-1148

Alicia Timm, Department of Agricultural Biology, Colorado State University, Fort Collins, CO 80523 alicia.timm@colostate.edu 1-970-490-4495

Luke Tembrock, Department of Agricultural Biology, Colorado State University, Fort Collins, CO 80523 tembrock@colostate.edu 1-970-490-4467

California Avocado Commission priority research area

Pest Research High Priority number 24: Identification of unknown pests that could be introduced into the U.S. that would be detrimental to the California avocado industry

Concept synopsis

The avocado seed moth, *Stenoma catenifer*, is an avocado pest of major economic importance in the Neotropics, which encompasses its native range. This pest is a significant threat to the California avocado industry, where it is not yet established. Identifying this species is challenging, as adults possess few distinguishing external morphological characteristics besides a “C” pattern of black dots on the forewings. The lack of identifying characteristics may have led to an overly broad and phylogenetically uninformative species description of *S. catenifer*, which may be better defined as a species complex.

Nucleotide sequences of the mitochondrial DNA barcoding region (cytochrome oxidase 1) that are available in publicly available databases provide preliminary but compelling evidence that cryptic species can be resolved within the current delimitation of *S. catenifer*. Based on these 32 mtDNA sequences, *S. catenifer* is comprised of six Barcode Index Numbers (BINs). Although recognition of BINs does not always indicate discrete species, they do indicate that further investigation into their species status is necessary. A phylogenetic tree based on available sequences for specimens considered to be *S. catenifer* is shown in Figure 1. The tree shows evidence for three major clades – one from French Guiana, a second from South America, and a third from Mexico and Central America. The three sequences from Mexico can be divided into two well supported lineages (likely species), and the nine from Peru can be divided into three well supported lineages (likely species). Photographs of the sequenced specimens all show the pattern of dots on the forewing that is characteristic for *S. catenifer*. Since these sequencing results are based on a small number of specimens from a limited part of the geographic range for *S. catenifer*, extensive sampling and sequencing of a much greater number of individuals throughout the range of the species, including at different elevations, is crucial. With this increased sampling, it can reasonably be expected that *S. catenifer* could be divided into more species than are shown on the tree. The primary objective of this study is therefore to sample *S. catenifer* from Mexico, Guatemala, Costa Rica, Belize, Honduras, Panama, Colombia, Venezuela, Ecuador, Peru, Brazil, Bolivia, Guyana, Argentina, Paraguay, and Uruguay, and to evaluate and delimit cryptic species from these regions based on DNA barcode sequences (including ITS, CO1, and EF1-

alpha). Following this objective, the morphology of each cryptic species will be described in detail, including images of the morphological characters most useful for separating species. Species complexes that include morphologically similar species can vary remarkably in aspects of their biology, including their host range, specificity, and behavior. Recognizing cryptic species is therefore essential not only for effective targeted pest management, but also has important implications for agriculture since each lineage may cause differing degrees of damage. The confirmation of cryptic species and the delimitation of each species within *S. catenifer* would justify a revision of current quarantine regulations.

Nucleotide sequence data potentially allows the identification of the geographic origin of a specimen. Haplotype network analysis and the identification of single nucleotide variants (SNVs) that are associated with geography are helpful for identifying the source of an invasive species. For *S. catenifer*, this data would be particularly useful for individuals from Mexico and Guatemala, since both countries are now exporting fruit into California from different areas. The DNA barcode sequences that will be generated as part of the first objective of the study can be used to examine genetic variation within each cryptic species, and this variation could pinpoint the origin of each haplotype. If *S. catenifer* is introduced into California, knowledge of geographic variation within each species would be crucial for identifying the origin of the invasion, and could inform future quarantine and pest eradication measures, as well as the development of biological control programs with natural enemies from the pest's accurately identified native range.

The objectives of this study are therefore to confirm cryptic species within *S. catenifer* using genetic data to delimit species, to provide comprehensive morphological descriptions for each species, and to associate *S. catenifer* genotypes with their geographic origin to allow the determination of the area of origin of a specimen. The resulting data would identify new pest species in the Neotropics that threaten the California avocado industry via the potential risk of invasions through commercial fruit export and improved understanding of this putative species complex would be an essential foundation for the development of biological control programs should such an effort be needed in the future.

Main project objectives

1. Evaluate cryptic species within *S. catenifer* based on DNA barcode sequences from across the range of the species. A limited number of sequences are already available. This project will generate additional sequence data and use a variety of species delimitation methods to confirm that *S. catenifer* is a species complex, and to delimit cryptic species.
2. Describe the external morphology of *S. catenifer*, including all cryptic species, to enable unequivocal identification. High-resolution images will be taken of all relevant morphological characteristics to enhance identification.
3. Examine within-species variation based on nucleotide sequence data that will include DNA barcodes and potentially other genes. This information would facilitate the identification of the geographic origin from which an interception originated.

Anticipated project duration

The project is anticipated to be conducted over a 2-year period. During the first year, specimens will be collected, their DNA will be sequenced, and the results will be analyzed. These genetic data will be used to inform morphological descriptions during the second year of the project.

Estimated project cost

ITEM	DOLLAR AMOUNT	DETAILS AND JUSTIFICATION
PERSONNEL:		
Postdoctoral fellow	\$130,000	Base salary for two years for a post-doctoral fellow to collect specimens, conduct laboratory work, analyze data, and write manuscripts
Subtotal	\$130,000	
FRINGE BENEFITS:		
13% of post-doctoral fellow salary during the first year	\$8,450	Fringe benefits associated with post-doctoral fellow salary, in accordance with CSU policies
28% of post-doctoral fellow salary during the second year	\$18,200	
Subtotal	\$26,650	
TRAVEL:		
<i>International travel</i>		
Airfare	\$20,000	Foreign travel for two researchers to collect <i>S. catenifer</i> throughout its range in Mexico, Central, and South America. Potential collecting locations include Mexico, Guatemala, Costa Rica, Belize, Honduras, Panama, Colombia, Venezuela, Ecuador, Peru, Brazil, Bolivia, Guyana, Argentina, Paraguay, and Uruguay.
Accommodation	\$16,000	
Ground transportation	\$15,000	
Gas, tolls and parking	\$2,000	
Per diem / meals	\$15,000	
Incidentals	\$5,000	
<i>Domestic travel</i>	\$3,000	
Subtotal	\$76,000*	Travel to entomological meetings to present findings
SUPPLIES		
<i>Molecular laboratory supplies</i>		
Capillary array cartridges	\$6,000	Supplies necessary for extracting DNA from specimens and generating sequence data.
DNA extraction kits	\$3,000	
Flowcells and kits for high throughput sequencing	\$4,000	
Tips, tubes, gloves, etc	\$2,000	
<i>Imaging supplies</i>		
Mounting media, imaging software, slides, etc.	\$1,000	Supplies necessary for imaging species to provide high resolution images of relevant morphological characteristics
<i>Insect collecting supplies</i>		
Pheromones for attracting moths	\$1,200	Supplies required for collecting <i>S. catenifer</i> throughout its native range
Traps for collecting moths	\$500	
Material to remove moths from traps	\$30	
Vials and ethanol to preserve moths	\$250	
Shipping specimens to partner institutions	\$1,000	
Subtotal	\$18,980	
OTHER		
Page charges for publications	\$8,000	Page charges for 2-3 publications resulting from this study

Subtotal	\$8,000
TOTAL COSTS	\$129,630

***SUBCONTRACT TO UC RIVERSIDE:** We estimate that approximately 50% (~ \$38,000) of the travel funds for this project will be used by Mark Hoddle, Department of Entomology UC Riverside, to collect *Stenoma* specimens for this project.

Figure 1. Maximum likelihood tree, of *S. catenifer* mtDNA sequences (CO1) available in public databases, along with three outgroup species. BIN numbers, each indicating a putative species, are indicated next to brackets.

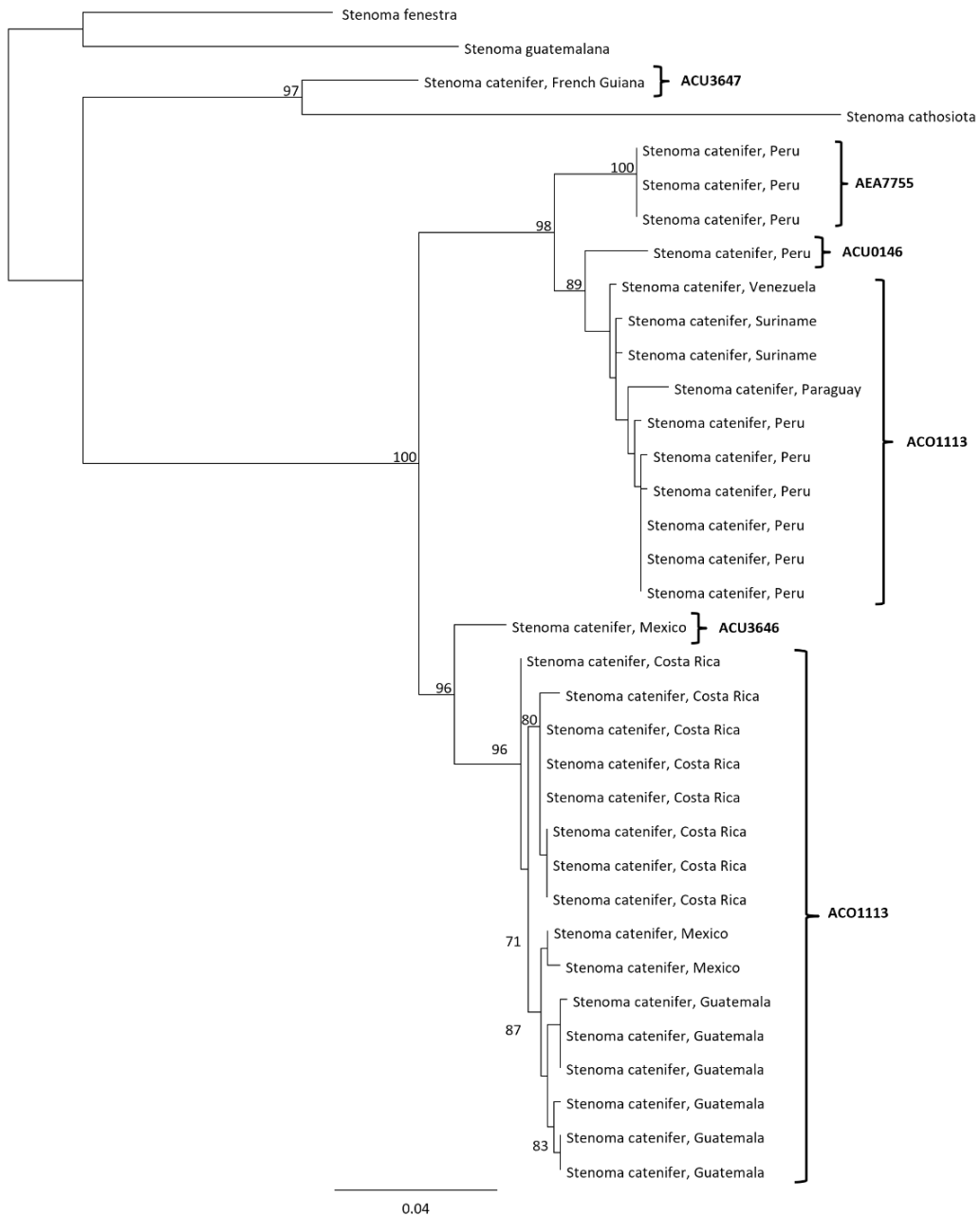


Figure 2. Map showing the known distribution of *S. catenifer*. Countries indicated in blue show localities from which samples have been sequenced, along with the number of sequenced samples from each. Countries indicated in orange show unsampled localities.





BOARD INFORMATION

ITEM 9.e: Hass Avocado Board assessment rate

SUMMARY:

Attached is a copy of CAC Vice President of Industry Affairs and Operations Ken Melban's article that was published in the Winter 2024/25 issue of *From the Grove* pertaining to the background regarding the Hass Avocado Board assessment rate discussion. Also attached are comments received by CAC from growers regarding this topic.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Information on this item has been provided for Board discussion. The Board may take action on any item listed on the agenda, regardless of whether it is marked as an information or action item.

STAFF RECOMMENDATION:

- Not applicable

EXHIBITS / ATTACHMENTS:

- CAC Vice President of Industry Affairs and Operations Ken Melban's article that was published in the Winter 2024/25 issue of *From the Grove* pertaining to the background regarding the Hass Avocado Board assessment rate discussion
- Comments received by CAC from growers regarding the HAB assessment rate

Hass Avocado Board Considers Assessment Rate Change

In October 2024, the Hass Avocado Board kicked off a five-year strategic planning process with a forum of industry stakeholders. Next is a strategic planning meeting on March 4-5, 2025, in Irvine (hybrid) where the HAB board will present industry input and define HAB's purpose, mission, vision, priorities, goals and assessment rate guidance. Then, on May 28-29, 2025, in San Diego County (hybrid) the HAB board will review and approve a 5-year plan and set the 2026 assessment rate.

The HAB assessment rate has remained unchanged – 2.5 cents per pound on all Hass avocados sold in the United States – since HAB became operational in 2003*. On California production, HAB assessments are collected by the first handler. HAB assessments on imports are collected upon entry into the United States from importers. The maximum authorized assessment rate is 5 cents per pound.

Of the 2.5 cents assessment, 85% is rebated back to the respective country association (e.g. California Avocado Commission, Avocados From Mexico, etc.) and 15% is retained by HAB for administration and programs. All HAB monies must be spent by the respective entities on marketing in the United States.

Appropriately, the California Avocado Commission's marketing budget is primarily funded from HAB assessment revenues. The only exception is if the Commission's marketing budget exceeds HAB revenues, at which point Commission assessments are used to supplement the marketing budget. The Commission's marketing budget ideally aligns with the projected HAB assessment revenue.

All the Commission's non-marketing programs (e.g. production research, advocacy, grower communications, etc.) are funded from Commission assessments.

For the 2024-25 FY, the Commission Board of Directors moved to a flat rate assessment instead of percentage of value, a first for the Commission, and set the assessment at a half-cent per pound. The result is a combined 2024-25 FY assessment on California growers of 3 cents per pound based on a 2.5 cents HAB assessment and a half-cent Commission assessment.

HAB is governed by a 12-member Board of Directors consisting of seven domestic Hass avocado producers, two importers, and three additional members, who can either be importers or domestic producers.

While the Commission Board has no direct role in HAB's assessment rate setting, it is prudent the Commission Board is informed and considers potential outcomes should the HAB assessment rate change.

The Commission's next Board meeting is February 20, 2025, in Temecula (hybrid) and the HAB assessment rate will be on the agenda. As a California grower, you are encouraged to share your perspective with your Commission representative or join us at the meeting.

Please send me an email at kmelban@avocado.org if you have questions or suggestions. 🍌

**The Hass Avocado Promotion, Research and Information Act (Act) became law on October 28, 2000. The United States Department of Agriculture promulgated the Hass Avocado Promotion, Research and Information Order (Order) under the authorizing legislation and the Hass Avocado Board (HAB) became operational in 2003. The Act and Order created a federal check-off program assessing "Producers" and "Importers" on all sales of Hass avocados within the United States.*

From: [Ken Melban](#)
To: [April Aymami](#)
Subject: Fwd: HAB Assessment
Date: Friday, February 14, 2025 12:04:49 PM

Sal has asked this be included in the board packet please...

Begin forwarded message:

From: Salvador Dominguez <salvera367@gmail.com>
Date: February 10, 2025 at 2:39:58 PM PST
To: Ken Melban <kmelban@avocado.org>, Henry Dominguez <hankd721@gmail.com>
Subject: HAB Assessment

Ken,

I just read your article in the Grove regarding HAB's interest in changing the assessment.

I was interviewed by the consulting team that is helping HAB on their 5 year goals. I don't recall them asking about the assessment during my Zoom interview. I did receive an email for a survey. In this email they alluded to the fact that they had not changed the assessment since their inception, and that with inflation it was now only worth 1.5%.

On the survey I expressed my disagreement at their lamenting the effect inflation has had on the assessment. If 2.5% was ok when they were assessing 1 billion pounds, I am really going to cry them a river when they are assessing 3 billion pounds.

As a matter of fact the last question, on the survey, really PISSED me off as they said, since you did not agree with an increase on the assessment tell us what program you'd like to cut. They did not allow me to just move on without an answer or have a place for comment.

This is my position, yes the assessment has not been changed, built the volume of fruit they are assessing, and thus the volume of funding they get has exploded.

I made it clear that this was NOT something I would support . I believe there would be a call for either a review of the Board or even a repeal of the Order.

Maybe I am reading this wrong but they are getting over \$ 11,000,000.00 I don't think we need HAB to launch more programs to suck up more funds. I know the staff gets compensated well, I passed some good pay increases during my tenure So NO I don't think a higher assessment is warranted.

Sal

From: [Ken Melban](#)
To: [April Aymami](#)
Subject: Fwd: Other Peoples Money
Date: Friday, February 14, 2025 12:47:12 PM
Attachments: [Other Peoples Money.docx](#)

Will's comments, please include in packet

Begin forwarded message:

From: Will Carleton <wcarleton1018@gmail.com>
Date: January 14, 2025 at 10:38:47 AM PST
To: Jason Cole <jcolecado@gmail.com>, Ken Melban <kmelban@avocado.org>, Robert Grether <rob@gretherfarming.com>
Subject: Fwd: Other Peoples Money

Dear Friends at CAC.

FYI, I have sent along my thoughts on raising the Assessment for HAB. You guys keep up the good work.

Will

----- Forwarded message -----

From: **Will Carleton** <wcarleton1018@gmail.com>
Date: Tue, Jan 14, 2025 at 9:40 AM
Subject: Other Peoples Money
To: Ricardo Uribe <ricardouribe@cartama.com.co>, Jeff Dickinson <jeff@dickinsonfarmservices.com>, Juan Monsalve <jmonsalve@lgssales.com>, Ben Van Der Kar <benfvdk@gmail.com>, Rob Ybarra <rob@villitaavocados.com>, Rocco Fiore II <rloutoo@gmail.com>, Angela Tallant <atallant@natureripeavocado.com>, Dave Billings <billings@stonehillproduce.com>, Paula Coxé <pacoxe@sbcglobal.net>, Doug O'Hara <doug@buenafarmd.com>, Hillary DeCarl <hillary@delreyavocado.com>, Elaine Bannatyne <bbannatyne@aol.com>, Ivor Vanwingerden <ivorw@gmail.com>, Bob Schar <bobschaar255@gmail.com>, <michaelcraviotto11@gmail.com>, Jaime Johnson <ranchosimpatica@yahoo.com>, Gwendolyn <Gjackimek@freshdelmonte.com>, Rigo Perez <rperez@missionproduce.com>, Debbie Willmann <dwillmann@indexfresh.com>
Cc: Emiliano Escobedo <ee@hassavocadoboard.com>

Dear Board Members,

I hope you are doing well, and no one was affected by these terrible fires.

I've been thinking about our last meeting, and developed a concern about how Assessment money is acquired, and how it is spent. I would like you all to consider that we are part of a Non-profit Board where the dollars we spend are not earned, but accrued by way of the success of hard working farmers growing a wonderful product. HAB deserves a lot of credit for its promotional activities. But it is our responsibility to those who voted for us, and who we represent, to manage these dollars wisely.

I have attached my thoughts to this email.

Look forward to seeing you all at our next meeting.

Will

Other People's Money

Dear Fellow Board Members,

I'm writing to you to express my concern and opposition to what I anticipate as a move by our Staff (Emiliano specifically) to raise the "Assessment rate" beyond the current 2.5 cents per pound. As he explained at our last meeting he would be "Consulting with 15 Avo Industry executives" on ways to improve HAB's effectiveness.

I tried to point out at the New Member Introduction that the issue of Loyalty is complicated. We certainly have to have loyalty to the Mission of HAB. But there is also a responsibility (Loyalty) for us to act on behalf of the constituents who voted us to represent them. Our Loyalty here is to represent their best interests, and make sure their money is spent wisely and effectively. We are not simply empaneled to CheerLead for the very capable Staff.

Let me say this: The HAB has done a fine job with the programs they have initiated. And, there has been no lack of money to support them. Nutrition, BOLD, MarCom, Sustainability (which should be in Maintenance Mode after spending 2, or 3+ million since 2020), Statistical analysis, etc.

We need to be clear eyed and watchful with the trust given to us. There were some confusing statements made at our last meeting which could possibly mislead our thinking.

- Money coming in to support HAB and the Marketing organizations that represent the countries (CAC, AFM, Peru, Chile, etc.) come **(one way or another)** from money directly, or indirectly, from Producers (Farmers). The Importers pay the Tax, but they are in business to make a profit. Don't you think one-way, or another, that they don't pass that cost on? Either, lower returns to Farmers, or higher prices to their retail customers. In the US, the Packers just take it right out of the returns paid the Farmers for their fruit.
- We have had a phenomenal ride since 2010. Explosive growth (300+%) which has generated a lot of interest in the US market. (Columbia, Honduras, etc.) HAB has certainly been a factor in this. But look at the last five years. Flat, no growth. I believe that the growth we experienced is similar to a standard Product Life/Growth Cycle. Catches fire, (Super Bowl ads, Avocado Toast, etc.) reaches maturity, then levels off. To reignite it-- is really hard. There are no

silver bullets. It is going to be hard work from here on. And, like the last 5 years, **more money** is not the answer.

- One specious argument came from Dr. Sexton in his 70+ page "analysis". He pointed out that the assessment rate (2.5/lb) has declined in real terms (buying power) from 2003. A loss of 71%. (Yes, **we all have** suffered the effects of inflation) However, during that same period, the assessed volume of avocados has risen 460%! 71% Vs 460%.?? That's a lot of Other People's Money.

Taking more money from producers (farmers) is the easy way. The constituency doesn't get a vote.....**It is up to US, the Board who represent them.** Read, and consider carefully, when/if we are asked to make this change.

If the Staff wants to raise more money, getting down and dirty with the Oils and Processed products coming in with NO Assessment is a worthwhile challenge!

Will Carleton

From: [Ken Melban](#)
To: [April Aymami](#)
Subject: Fwd: Thank you for taking our survey
Date: Friday, February 14, 2025 12:48:47 PM
Attachments: [image001.png](#)
[CAC-Board-Meeting-Agenda-2-20-25-UPDATED.pdf](#)
[100sigslr_b5f37a8b-fc42-4e02-a1b2-5e7c380efd3a.png](#)
[facebook_5a598274-f169-470d-8be7-1e9169e8ed5d.png](#)
[instagram_f20d1773-7f26-4f1c-9aaf-57ead7e3463b.png](#)

Please include Mike's comments in board packet

Begin forwarded message:

On Feb 8, 2025, at 11:26 AM, Michael A. Mellano
<mamellano@mellano.com> wrote:

Hi Ken and Charlie

I took this survey and, although it's not a big deal to us, found the questions on increasing assessment to be very poor and disturbing logic. It's the same the government uses when they want more. To increase assessment without increasing services or projects under the guise that their money doesn't go as far is ridiculous. If they were doing their job and increasing the overall market and especially demand/pricing, then their pot of gold should be increasing appropriately at or beyond the rate of inflation! DPR used this same logic for the mill tax increase on pesticides saying their budget hadn't increased only because the percentage hadn't been increased when in actuality the gross dollars they received has really gone up because the cost of pesticides has really gone up. At some point these organizations run out of percentages to take!

Just my 2 cents!

Mike



BOARD ACTION

ITEM 11: CONSIDER APPROVAL OF HAB BOLD CANDIDATE SPONSORSHIP

SUMMARY:

In 2021 the Hass Avocado Board launched the Hass Avocado Industry Board Leadership Program (BOLD) to develop emerging leaders interested in addressing the opportunities and challenges facing the Hass avocado industry. BOLD is designed to help participants improve profitability, increase the effectiveness of the industry and become board-ready candidates for HAB, the California Avocado Commission and importer associations.

For the inaugural 2021 BOLD Class, the CAC Board approved participation in and sponsorship of California applicants, with the caveat that they be an existing CAC Board member or alternate. In 2021 and 2022 the CAC board approved sponsorship of Board members or alternates meeting the service requirements approve in 2021. In 2023, there were no CAC Board member or alternate applicants for the HAB BOLD program, however the CAC Board approved sponsorship of two California producer applicants in support of furthering development of future industry leaders.

HAB has provided the following list of individuals who have applied for the 2024 HAB BOLD program as producers, and has asked if CAC is interested in sponsoring one or more individuals for the current year:

- Claudia Bernal
- Thomas Browne
- Herman Els
- Heather Johnson
- Carson McDaniel
- Flor Mora
- Matias Purcell
- Emma Sertich
- Aurora Rico

FISCAL ANALYSIS:

- The annual cost per participant is estimated to be up to \$4,000. The approved 2024-25 CAC Budget has \$10,000 allocated to cover the sponsorship of HAB BOLD participants.

BOARD OPTIONS:

- Approve sponsorship of one or more participants in the HAB BOLD program
- Decline sponsorship of HAB BOLD participants

STAFF RECOMMENDATION:

- Staff defers to the board's judgement in this matter

EXHIBITS / ATTACHMENTS:

- HAB BOLD applications for the following applicants:
 - Claudia Bernal
 - Thomas Browne
 - Herman Els
 - Heather Johnson
 - Carson McDaniel
 - Flor Mora
 - Matias Purcell
 - Emma Sertich
 - Aurora Rico

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Friday, January 31, 2025 2:54:46 PM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 31, 2025 10:57 AM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Claudia Bernal

Email Address:

Cell Phone:

Address:

High school name, city and state:

Normal Nacional Abejorral

Year graduated:

1990

College or vocational school name, city and state:

Universidad de Antioquia -Colombia

Graduate:

Yes

Years attended:

1991

Years attended:

2021

Highest degree / major attained:

Accounting and Economics bachelor's degree

Please check the box that applies to you:

- I am a producer of Hass Avocados.
- I am an importer of Hass Avocados.

Current employer:

Eco Advisors, Inc

Length of employment:

15

Length of employment:

5

Employer Address:

Position/Title (list if more than one):

- CPA Partner

Job Responsibilities:

In charge of Complete Accounting and Financial cycle, including Tax preparation and Agencies representations for different types of Agribusinesses and other industries.

Current supervisor's name:

Sebastian Valencia

Current supervisor's email address:

Previous employer:

Mountain Range Produce S.A.S.

Length of employment:

7

Length of employment:

3

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- Fresno Hispanic Foundation, Mexican Consulate of Fresno California, Asociación de Agricultores-Abejorral- Colombia

Organizational & community involvement:

As CPA in California, I have worked primarily with small and mid-sized agricultural enterprises, particularly those owned by Spanish-speaking farmers. Many of these businesses struggle with financial literacy, tax compliance, and record-keeping, making it essential to provide them with tailored solutions that help them achieve long-term stability. By offering specialized accounting services, I have helped these businesses navigate complex tax regulations, implement efficient bookkeeping systems, and access financial tools to improve their profitability.

Additionally, my background in both GAAP and IFRS reporting has allowed me to guide agricultural companies with international operations, ensuring compliance with global financial standards. This expertise has been particularly beneficial in assisting businesses that export their produce to foreign markets, enabling them to expand their reach while maintaining financial transparency.

As a Farmer in California and Colombia, I have been an advocate for sustainable agriculture, I have actively contributed to initiatives that promote responsible farming practices and economic empowerment within my community. By sharing my knowledge through workshops, consulting, and mentorship programs, I have helped farmers and agribusiness owners build stronger, more resilient businesses.

Furthermore, I have supported industry associations and cooperative efforts aimed at enhancing market access for local growers, ensuring that small and family-owned farms can compete in a rapidly evolving agricultural landscape.

Expression of interest:

Beyond my work as a CPA, I have a deep personal connection to agriculture as an avocado producer and importer. As a third-generation Colombian Avocado and coffee producer, my passion for farming extends beyond financial statements.

I understand firsthand the challenges that farmers face, from climate risks and pest management to fluctuating market demands and regulatory hurdles. My role as the Controller of Mountain Range Produce S.A.S. has given me hands-on experience in agricultural operations, including the complexities of exporting avocados to Europe and the U.S.

Through my involvement in the industry, I have worked to bridge the gap between financial management and on-the-ground farming realities, helping fellow producers make informed decisions about investment, pricing strategies, and cost management. Additionally, my access to import and export licenses has enabled me to support small farmers in navigating international trade, creating new market opportunities for their products.

Career Goals:

My Goals are focus on using my dual expertise as a CPA and agricultural entrepreneur to keep allowing me to make a meaningful impact on the farming community. By combining financial acumen with hands-on industry experience, I will continue to support the growth and sustainability of agricultural businesses, ensuring that farmers and producers have the tools they need to thrive in an increasingly competitive and regulated environment. My commitment to community involvement remains steadfast, as I strive to empower those who feed the world with the financial and operational knowledge necessary for long-term success.

I also aspire to expand my influence by collaborating with industry leaders, policymakers, and research institutions to develop sustainable business models for small and mid-sized agricultural enterprises. By integrating financial innovation with sustainable farming practices, I hope to create a more resilient agricultural economy that ensures long-term prosperity for farmers and agribusinesses alike.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Friday, January 3, 2025 2:47:59 PM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 3, 2025 9:50 AM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Thomas Browne

Email Address:

Cell Phone:

Work Phone:

Contact me by text

●

Address:

High school name, city and state:

Adolfo Camarillo High School

Year graduated:

2019

College or vocational school name, city and state:

California Polytechnic State University

Graduate:

Yes

Years attended:

2020

Years attended:

2024

Highest degree / major attained:

Bachelor's of Science/Agricultural Communications

Please check the box that applies to you:

- I am a producer of Hass Avocados.

Current employer:

Limoneira

Length of employment:

1

Length of employment:

1

Employer Address:

Position/Title (list if more than one):

- Farming Operations Coordinator

Job Responsibilities:

The best way to describe my current role is "The Swiss Army Knife of Farming". My primary day-to-day responsibilities are handling the various technological platforms we utilize; as well as handling the data side of our farming logistics. In addition to this, a few of responsibilities include: Over-seeing the plantings of our new avocados, ESG Data reporting, and maintaining multiple grants and ensuring we are following the parameters set. To summarize, whatever is needed from the farming team, I will do.

Current supervisor's name:

Vince Giacalone

Current supervisor's email address:

Previous employer:

Mission Produce

Length of employment:

3

Length of employment:

2

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- California Avocado Society

Organizational & community involvement:

I recently just got appointed as a Board of Director for the California Avocado Society. I have only attended a couple of meetings, so I can't go into depth about my specific role in the organization quite yet; but I can speak on my motivation for joining the society. Avocados have been a passion of mine for my entire life and I want exposure to every aspect of this industry; from the farmer, to the packer, to the consumers. I wanted to surround myself with like-minded individuals who have years of experience and can help me learn new perspectives in the avocado industry, which I ultimately hope to return the favor and educate others in my future.

Expression of interest:

I have always had a deep passion for avocados, having grown up watching my dad develop the avocado industry. Now, I am excited to follow in his footsteps and forge my own path in this field.

I am committed to the longevity of the avocado industry as a whole, rather than the success of any single country of origin. Having this broader perspective of the industry helps me move beyond my California grower bias and recognize the integral role's all of the key players contribute to our sector.

I possess strong leadership attributes, excellent communication skills, and thrive when I am collaborating with others. I enjoy learning from a diverse perspective and sharing my own personal insights, which I believe will allow me to contribute meaningfully to the HAB program.

Career Goals:

My ultimate career leadership goal in the avocado industry is to engage younger generations and ensure the industry remains dynamic and innovative. Growing up in agriculture, I've seen firsthand how difficult it can be to attract younger individuals to our field. My goal is to create more pathways for young people to enter the avocado industry through education, mentorship, and hands-on experience.

Speaking from personal experience, I believe educating younger generations about the vast opportunities in our industry would be the most impactful approach. Even with my background in the avocado industry, I never imagined autonomous tractors, drones, and mechanical harvesting would be a part of my future. If more young people were educated about these possibilities, it could spark interest in the industry and bring fresh perspectives and innovations.

Ultimately, my goal is to ensure the avocado industry thrives by empowering the next generation of growers, researchers, and professionals who will shape its future. By providing the proper tools and opportunities for younger generations, we can continue to push the boundaries of what's possible and keep our industry evolving.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Monday, February 3, 2025 1:29:21 PM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 10, 2025 3:23 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Herman Els

Email Address:

Cell Phone:

Work Phone:

Contact me by text

●

Address:

High school name, city and state:

Highschool Ben Vorster, Tzaneen, Limpopo, South Africa

Year graduated:

2012

College or vocational school name, city and state:

University of Pretoria, Pretoria, Gauteng, South Africa

Graduate:

Yes

Years attended:

2013

Years attended:

2016

Highest degree / major attained:

BSc Agric (Plant Pathology)

Please check the box that applies to you:

- I am a producer of Hass Avocados.

Current employer:

Limoneira Company

Length of employment:

1

Length of employment:

4

Employer Address:

Position/Title (list if more than one):

- Agronomy Manager

Job Responsibilities:

Responsible for all crop fertilizer programs for all regions with a specific focus on soil health and production.

Coordinate all agronomic sampling and testing for all farms.

Work actively with VP of farming to analyze information and prepare reports to present to management based on field data collected.

Develop integrated pest management program and establish protocols for satisfying regulatory

Current supervisor's name:

Herman Els

Current supervisor's email address:

Previous employer:

Agri Technovation USA

Length of employment:

3

Length of employment:

5

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- Certified Crop Advisor (CCA) Committee Member
- CAPCA Board Member since November

Organizational & community involvement:

As a CAPCA Board Member since November 2024 and a Certified Crop Advisor (CCA) Committee Member since May 2024, I am deeply committed to advancing sustainable agriculture and supporting the professional growth of others in the industry. I was also honored to serve as a panelist at the South Valley Conference in November 2024, where I discussed and shared knowledge about plant nutrition with the community. This opportunity allowed me to engage with fellow advisors and farmers exchanging ideas and promoting best practices in crop management.

My involvement in these organizations reflects my passion for bridging the gap between scientific advancements and practical application in the field. I volunteer because I believe in the power of collaboration to address complex challenges.

Expression of interest:

Growing up in Tzaneen, South Africa, I developed a deep passion for avocados, inspired not only by the beauty of an avocado orchard, but the vital role its production plays in sustaining communities while producing healthy food. I began my professional journey as a farm advisor in technical sales roles, where I honed my skills in relationship management. This experience taught me to identify production challenges and propose technical solutions to enhance productivity. Transitioning to a grower role with Limoneira allowed me to apply these principles firsthand, revealing the complexities and nuances of real-world farming that often diverge from theoretical approaches.

My career has spanned diverse climates, including subtropical (South Africa) and Mediterranean (California) environments, giving me insight to different challenges faces by these different climates. These experiences have cultivated my problem-solving skills and adaptability, aligning with the BOLD program's mission to develop sophisticated leaders.

I hope to contribute my sales, and production experience with international perspective to the program, collaborating with fellow participants to address challenges and seize opportunities for the long-term success of the Hass avocado industry.

Career Goals:

My career leadership goals focus on driving collaboration, innovation, and continuous improvement within the avocado production industry. I aspire to lead initiatives that enhance farm productivity and profitability, addressing the supply challenges critical to the industry's growth. My aim is to bridge the gap between

theory and practice, ensuring that strategies are not only visionary but also practical and executable at the farm level.

A key aspect of my leadership journey is improving my communication skills, including public speaking and active listening, to effectively engage with diverse stakeholders and convey ideas clearly. By becoming a more confident and effective communicator, I will strengthen my ability to inspire and collaborate with others.

Ultimately, I want to leave a legacy of impactful contributions that shape the future of the avocado industry. By tackling production challenges and promoting practical, effective solutions, I hope to drive community growth while increasing the production of this healthy and essential fruit.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Thursday, January 30, 2025 3:23:55 PM

From: HAB <info@hassavocadoboard.com>
Sent: Thursday, January 30, 2025 12:09 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Heather Johnson

Email Address:

Cell Phone:

Contact me by text

- Check here if we can contact you by text

Address:

High school name, city and state:

Northwest High School, Jackson, MI

Year graduated:

1991

College or vocational school name, city and state:

Fresno State University, Fresno CA

Graduate:

Yes

Years attended:

1997

Years attended:

1999

Highest degree / major attained:

Bachelor

Please check the box that applies to you:

- I am a producer of Hass Avocados.

Current employer:

PGIM Real Estate

Length of employment:

2

Length of employment:

8

Employer Address:

Position/Title (list if more than one):

- Asset Manager

Job Responsibilities:

Oversee agriculture assets purchased for our clients with the main focus on the profitability of the ranches.

Current supervisor's name:

Jason Pucheu

Current supervisor's email address:

Previous employer:

Constellation Brands

Length of employment:

5

Length of employment:

0

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- California Ag Leadership, Class 46 and Region 6 Alumni Council Director,

Organizational & community involvement:

While my kids were growing up they were heavily involved with showing pigs and cattle, so I served our local 4H group as a pig and cattle leader, as well as an advisor to the treasurer of the club. I am an avid hiker, so I have volunteered with the High Sierra Trail Crew to maintain and build trails as a way to be thankful for all of the amazing hiking and horseback riding trails we have in the California mountain ranges. Through the years I have worked in the wine industries I have been a member of the American Society of Enologists and Viticulturalists (ASEV) and of the San Joaquin Valley Wine Growers Association (SJVWA). And lastly, I was fortunate enough to be selected as a fellow of Class 46 of the California Agriculture Leadership program. I spent 18 months with my classmates learning and since my commencement I have kept active with the events in my Region and last year I joined the Alumni Council to represent my region.

Expression of interest:

Since my employment with PGIM Real Estate I have been working with various avocado marketers and growers across California. I enjoy working in the commodity alongside this community of farmers and businesspeople, and I am always looking to improve my knowledge of the industry. I feel like gaining a better world view of the Avocado markets would benefit my current ranch and my grower relationships as well as helping me understand how I could get involved to help the industry.

Career Goals:

With my time in the Ag Leadership program, I gained a greater understanding of myself, communication between people with the aim to be more effective at work and at home, and the importance of giving back to the communities and industries we live and work in. Since my commencement my roles in my career have changed and brought along added responsibilities and now it is time to focus outward and take on more responsibilities outside of my employment. I feel like the BOLD program would help to take the first step in my industry leadership goals.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Monday, February 3, 2025 12:03:57 PM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 31, 2025 8:59 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Carson McDaniel

Email Address:

Cell Phone:

Work Phone:

Address:

High school name, city and state:

La Costa Canyon, Carlsbad CA

Year graduated:

2006

College or vocational school name, city and state:

University of California, Berkeley

Graduate:

Yes

Years attended:

2006

Years attended:

2010

Highest degree / major attained:

Bachelor of Science

Please check the box that applies to you:

- I am a producer of Hass Avocados.
- I am an importer of Hass Avocados.

Current employer:

McDaniel Fruit Co

Length of employment:

10

Length of employment:

0

Employer Address:

Position/Title (list if more than one):

- Vice President

Job Responsibilities:

Oversee planning and execution for:
- California grower relations
- Sourcing from Mexico, Peru and Colombia
- National sales programs
- Infrastructure and investments

Current supervisor's name:

Rankin McDaniel

Current supervisor's email address:

Previous employer:

Bloomberg LP

Length of employment:

3

Length of employment:

2

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- California Avocado Commission
- Chilean Avocado Importers Association
- Colombia Avocado Board
- Peruvian Avocado Commission

List any organizations that you have volunteered for in the past 5 years:

- South O Garden Project

Organizational & community involvement:

I volunteer at the "South O Garden Project." This is an elementary school program for K through 5 students meant to foster an interest in where food comes from at an early age.

Expression of interest:

The McDaniel family has been involved in both the farming and commercial sectors of the avocado industry for over 80 years. Although I grew up in and around the avocado packinghouse, I spent a few years working in corporate finance after college before rejoining the avocado industry. I was able to bring my outside business experience into the family business and pair it with a wide breadth of exposure to the trade that I have had over the past ten years. In my tenure at McDaniel Fruit, my responsibilities have included field management, logistics, marketing, international sourcing, national program development, infrastructure development and participation in PAC, CAIA, CAC and CAB. I'd like to join the BOLD program to deepen my understanding of the nuances of our sector, to collaborate with others with diverse perspectives on the industry, and to share my unique experiences with others.

Career Goals:

I am in a unique position where I lead a relatively small company, but with a well-established reputation and a strong history. While my career leadership goal is first and foremost to continue to steer the growth and success of McDaniel Fruit Company, I feel that the industry is looking for new voices of the "next" generation of avocado players. Many of the original pioneers of the industry have retired or are approaching retirement, and there appears to be an opportunity for new leaders to step in and help drive the avocado industry into its next phase. I have participated in industry boards for many years, and this program will likely strengthen my contributions to these institutions by providing me with a more well-rounded perspective outside the lens of my own company.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Monday, January 6, 2025 3:21:29 PM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 3, 2025 10:29 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Flor Mora

Email Address:

Cell Phone:

Contact me by text

●

Address:

High school name, city and state:

Salinas High

Year graduated:

GED

College or vocational school name, city and state:

none

Graduate:

No

Years attended:

NONE

Years attended:

NONE

Highest degree / major attained:

12TH

Please check the box that applies to you:

- I am a producer of Hass Avocados.

Current employer:

Fountain Palliative Care

Length of employment:

3

Length of employment:

0

Employer Address:

Position/Title (list if more than one):

- CEO

Job Responsibilities:

Vision and Mission: Define, communicate, and implement the organization's vision, mission, and values to guide all operations.

Strategic Planning: Develop and execute long-term strategies that ensure the growth, sustainability, and high-quality delivery of care.

Adaptation and Innovation: Stay ahead of industry trends, integrating new technologies and practices to improve care delivery.

Policy Implementation: Establish and enforce policies and procedures to maintain high standards of care and operational efficiency.

Quality Assurance: Oversee programs to monitor and improve patient care quality and satisfaction.

Regulatory Compliance: Ensure all operations comply with healthcare regulations, licensing requirements, and accreditation standards.

Budgeting: Develop and manage the organization's budget, ensuring fiscal responsibility and resource optimization.

Revenue Generation: Oversee fundraising, grant applications, and partnerships to secure financial sustainability.

Cost Management: Monitor expenditures and implement cost-saving measures without compromising care quality.

Staff Recruitment: Attract, retain, and develop a skilled and compassionate workforce.

Leadership Development: Mentor senior managers and foster leadership skills within the organization.

Workplace Culture: Cultivate a positive, inclusive, and supportive work environment for all employees.

Public Relations: Act as the face of the organization, representing it at community events, conferences, and media appearances.

Stakeholder Communication: Maintain open communication with stakeholders, including patients, families, donors, and board members.

Partnership Building: Forge relationships with hospitals, insurers, policymakers, and other organizations to enhance services and influence the field of palliative care.

Patient Advocacy: Uphold the rights and dignity of patients and families, ensuring their voices are heard in organizational decisions.

Ethical Standards: Promote a culture of ethical behavior and decision-making throughout the organization.

Crisis Management: Lead the organization through crises, such as natural disasters, pandemics, or financial challenges.

Key Performance Indicators (KPIs): Define and track KPIs related to patient care, financial performance, employee satisfaction, and community impact.

Reporting: Provide regular updates to the board of directors on organizational performance and progress toward strategic goals.

Continuous Improvement: Foster a culture of learning and improvement by using data to identify areas for growth.

Healthcare Advocacy: Advocate for policies that improve access to and funding for palliative care services.

Industry Leadership: Represent the organization as a thought leader in palliative care, contributing to broader discussions and innovations in the field.

Capital Campaigns: Lead major fundraising efforts, including capital campaigns and donor engagement initiatives.

Grant Management: Oversee the application and management of grants to fund operations and special projects.

Succession Planning: Develop plans for leadership continuity to ensure the organization thrives beyond the current leadership team.

Identify and mitigate risks that could affect the organization's stability and reputation.

Sustainability Goals: Integrate practices that ensure the long-term viability of the organization while addressing community needs.

Current supervisor's name:

N/A N/A

Current supervisor's email address:

N/A

Previous employer:

N/A

Length of employment:

N/A

Length of employment:

0

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- N/A

Organizational & community involvement:

My community involvement is rooted in a deep desire to foster connections and create meaningful change. I regularly volunteer with in roles that align with my skills and passions. For example, I have worked with Re-entry programs , organizing food drives, mentoring youth, etc.], where I've had the opportunity to contribute to tangible improvements in the lives of others.

Additionally, I have taken part in community cleanup events and awareness campaigns for environmental sustainability, mental health. These experiences have not only allowed me to make a positive impact but also to learn from and connect with diverse individuals who share similar values.

Volunteering is meaningful to me because it embodies the spirit of collaboration and selflessness. It's a way to give back and invest in the growth of my community while also expanding my own perspective. Through these efforts, I aim to inspire others to join in creating a more supportive and inclusive environment.

Expression of interest:

I am eager to join the BOLD program because it represents a transformative opportunity to align my passion for the Hass avocado industry with my personal and professional aspirations. This program offers the ideal platform to enhance my leadership skills, deepen my industry knowledge, and contribute meaningfully to overcoming the challenges and harnessing the opportunities that lie ahead.

My connection to this industry runs deep. My father, a migrant who worked tirelessly to build a better future for his family, found pride and purpose in his contributions to agriculture. Through his efforts, he instilled in me a profound appreciation for hard work, resilience, and the transformative potential of the agricultural sector. Although he has since passed away, his legacy inspires me to fulfill this dream—not just for myself, but as a tribute to his dedication and sacrifice.

Career Goals:

My career leadership goal is to become a transformative leader in the avocado industry, driving innovation, sustainability, and growth while ensuring the industry thrives in an increasingly complex marketplace. I envision a future where the avocado industry not only meets global demand but also sets the standard for ethical practices, environmental stewardship, and community impact.

A key part of my vision includes creating opportunities for individuals in re-entry programs who face challenges reintegrating into the workforce. By building pathways for these individuals within the avocado industry, I aim to provide meaningful employment opportunities that foster brighter futures. This initiative would not only address labor shortages but also strengthen communities by giving people a second chance to thrive.

Inspired by my father's legacy as a hardworking migrant who contributed to agriculture, I am committed to creating opportunities for others while honoring the values of resilience and innovation he instilled in me. Through leadership roles, I plan to advocate for initiatives that enhance profitability, empower underserved populations, and improve the well-being of all stakeholders in the industry.

Ultimately, my goal is to ensure the avocado industry remains adaptable, inclusive, and poised for continued success, while making a tangible difference in the lives of individuals and communities alike.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Friday, January 31, 2025 9:16:18 AM

From: HAB <info@hassavocadoboard.com>
Sent: Thursday, January 30, 2025 3:21 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Matias Purcell

Email Address:

Cell Phone:

Address:

High school name, city and state:

Capellan Pascal, Viña Del Mar, Chile

Year graduated:

2000

College or vocational school name, city and state:

Universidad Adolfo Ibanez, Viña Del Mar, Chile

Graduate:

Yes

Years attended:

2001

Years attended:

2007

Highest degree / major attained:

Masters Degree

Please check the box that applies to you:

- I am a producer of Hass Avocados.

Current employer:

Brokaw Nursery

Length of employment:

3 years

Length of employment:

10

Employer Address:

Position/Title (list if more than one):

- Director of Technology

Job Responsibilities:

- Manage over 100 acres of planted avocados
- Lead on technology and data platforms to optimize production of avocados and avocado budwood

Current supervisor's name:

Rob Brokaw

Current supervisor's email address:

Previous employer:

Naturipe Farms

Length of employment:

2

Length of employment:

1

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- Once Upon a Watershed (OUW), California Live Oak tree restoration

Organizational & community involvement:

In early 2021 with the help of Brokaw Nursery, I started a small oak tree nursery of California Live Oaks (*Quercus Agrifolia*), since then over 1000 trees have been sprouted and most of them have been donated to several habitat restoration projects, botanical gardens and school districts.

Expression of interest:

I am a Business Management Engineer with a master's degree in Marketing, from universities in Chile and France.

My wife and I decided to move to California 9 years ago and started a family here. We both are dedicated to the avocado industry in different branches. The more I learn about avocados, the more I love the fruit because of its healthy properties and the overall excellent eating experience it provides. With a business background and having had the chance in my life to live in different countries and get to know their cultures, I feel I can make a well-rounded contribution to the avocado industry. Since spending time as a child on my grandfather's ranch back in Chile, I always saw myself connected to farming and the countryside. Thanks to the avocado industry, I have been able to blend my knowledge and skills as an business manager with my passion for agriculture. In a world where consumers are ever more educated and inclined toward healthier products, I see a great future for the avocado industry and would like to be part of it.

Career Goals:

Since I started working with avocados, I have had the great opportunity to meet several experts in the industry from whom I have learned a lot. Even though I have gathered a lot of experience in the past few years, and put my leadership aptitudes to the test, I feel there is a lot more to learn in the years to come. My goal is to become an expert in my field and share that expertise with others. I know that I am very fortunate to live in a place like California where I can find many learning options to improve my leadership and further excel in my career.

I know that programs like BOLD can help me improve and further the expansion and future success of the larger industry.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Friday, January 17, 2025 10:06:42 AM

From: HAB <info@hassavocadoboard.com>
Sent: Friday, January 17, 2025 7:06 AM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Emma Sertich

Email Address:

Cell Phone:

Address:

High school name, city and state:

Exeter Union High School, Exeter CA

Year graduated:

2016

College or vocational school name, city and state:

California Polytechnic, San Luis Obispo CA

Graduate:

Yes

Years attended:

2016

Years attended:

2020

Highest degree / major attained:

BS - Agricultural & Plant Sciences

Please check the box that applies to you:

- I am an importer of Hass Avocados.

Current employer:

Mission Produce, Inc.

Length of employment:

4

Length of employment:

4

Employer Address:

Position/Title (list if more than one):

- Fields & Facility Food Safety

Job Responsibilities:

I started off at Mission working alongside all Mission growers from San Luis Obispo to San Diego with federal and 3rd party compliance audits and preparedness. I became an ally for my growers in supporting them through changing and tough compliance issues and requirements to ease their stress around production through the supply chain. As I made a solid foundation of food safety and compliance resources for my growers I was promoted to take over the west coast facility compliance programs. I currently oversee our main packinghouse in Oxnard, CA, distribution center in Clackamas, OR, and continue to assist Mission growers with their audits and inspections.

Current supervisor's name:

Christopher Summers

Current supervisor's email address:

Previous employer:

Agricare, Inc.

Length of employment:

0

Length of employment:

3

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- Ventura County Food Safety Association - Director of Programs
- Young Farmers & Ranchers - Ventura Chapter
- Women in Agriculture

Organizational & community involvement:

-VCFSA

I have been a member of the Ventura County Food Safety Association for 3 now, volunteering in local outreach and education to our community about food safety and agriculture. This last year I joined the board as the Director of Programs where I create, plan, outreach, and host all trainings, certification, and educational meetings from the association. It's been very rewarding with this last year's large boom of recalls and food borne illness issues and being a reliable outreach and educator to the community, being able to help give piece of mind and context to all we do from field to fork in Ventura County.

-Women in Agriculture, Young Farmers & Ranchers

I have been a member of these 2 associates for the last 2-3 years and focus mainly on scholarship funding for college students. These are great ways to give back to the future generations in agriculture. I was fortunate enough to go through my education without loans and I want all students to have the ease of focusing on their studies through the college experience.

Expression of interest:

I take pride in my quick and lasting relationships I've made in Ventura County working directly with growers throughout California, labor crews, packinghouse employees, and all aspects of corporate in the supply chain at Mission Produce. I believe I have unique position that centers me as an ally, educator, advisor, and connection to every level of what the avocado industry is. Through the BOLD Program I want to expand that reach and dive into the governance of this industry and how I can be a part of keeping agriculture ahead of the game, not grasping at the ever-changing market and consumer requests, but being the leaders and forward thinkers of it!

Career Goals:

Back at Cal Poly all incoming freshmen did an in-depth strengths test and mine were: Activator, Individualization, Context, Competiton, and Input. Make your own quick assumptions of that all wrapped together and I believe it makes for a solid campaigner. My leadership goals in my career are to campaign for what is right, efficient, and to build up any and every sector I work alongside with. My leadership style is to look at what is the foundation. I always tell people that stick their noses up at my career choice in agriculture by reminding them, agriculture is the foundation of any society, without it you wouldn't have an industry or career in tech, law, arts, etc., and because that is my personal philosophy I strive to continue that foundational way of thinking within my career's industry and how I lead, with respect and gratitude throughout.

From: [John McGuigan](#)
To: [Pam Ortega](#)
Subject: FW: New BOLD Application submission
Date: Wednesday, January 22, 2025 1:39:45 PM

From: HAB <info@hassavocadoboard.com>
Sent: Tuesday, January 21, 2025 7:54 PM
To: kate@eak-digital.com; John McGuigan <john@hassavocadoboard.com>
Subject: New BOLD Application submission

Name:

Aurora Rico

Email Address:

Cell Phone:

Contact me by text

•

Address:

High school name, city and state:

Eagle Rock Highschool

Year graduated:

2013

College or vocational school name, city and state:

California Polytechnic State University San Luis Obispo

Graduate:

Yes

Years attended:

2013

Years attended:

2028

Highest degree / major attained:

Bachelor of Arts in Political Science, Bachelor of Science in Anthropology and Geography

Please check the box that applies to you:

- I am a producer of Hass Avocados.
- I am an importer of Hass Avocados.

Current employer:

Mission Produce

Length of employment:

5

Length of employment:

3

Employer Address:

Position/Title (list if more than one):

- Procurement Supply Associate

Job Responsibilities:

- Manage relationships with over 10 suppliers, including 3 of the top 5 accounts. Specialize in procuring certified avocados for the US market from the state of Michoacan.
- Negotiate daily pricing
- Provide analysis on industry data related to crop volume, size curve, and seasonality. Provide analysis on internal data related to demand, volume, prices, etc.
- Work closely with Inventory, Sales, and Marketing teams to formulate strategies, plan promotions, and provide feedback to the customer about fruit availability.
- Develop and champion short-term and long-term procurement strategies
- Work closely across Sales, Quality, Logistics, and Transportation teams to recover losses on quality or packing claims with suppliers and minimize future occurrences.

Current supervisor's name:

Monica Robles

Current supervisor's email address:

Previous employer:

SAGE Publishing

Length of employment:

2018

Length of employment:

2019

Employer acknowledgment:

- Please check here if you have discussed your participation in the program with your employer.

Check if you have served on any of the following as a board/committee member in the past 5 years:

- None of the above

List any organizations that you have volunteered for in the past 5 years:

- N/A

Organizational & community involvement:

N/A

Expression of interest:

In my five years with Mission Produce, I've learned that data, innovation, and action drive our business forward. However, having ideas in a bubble has little impact. The BOLD Program offers an opportunity to be among the industry's emerging leaders, where we can share our insights and devise solutions together. My education at Cal Poly has given me a "Learn by Doing" approach that has served me well in this industry that is constantly changing; I've had to stay flexible and dynamic to keep pace. As part of the BOLD program, I would apply my background in political science to leverage information and relationships, finding common ground in problem solving. I believe asking the right questions and challenging the status quo is integral to the avocado industry's growth. A program like BOLD will help put my nascent leadership skills to work. I would bring my critical thinking, questioning, and connection-making with me, and together with my cohort we will sharpen each other's skills along the way.

Career Goals:

I began my career in the avocado industry as an administrator - in charge of data entry. This was the perfect position for me to learn about the supply chain. Five years later, I'm humbled by how much more there is to know about the avocado industry. My desire to continue learning has led me to the BOLD program. I strive to take on a strategic role, championing the interests of the industry. I hope to collaborate with a diverse group of industry leaders to make a lasting and tangible impact. The industry faces several challenges – many of which are caused by global climate change and environmental problems. Having a role in both improving the industry's sustainability while mitigating the effects of these issues is one of my biggest motivators in aiming towards a leadership role.