



AGENDA

California Avocado Commission Board of Directors Meeting

Meeting Information

Date: March 14, 2023

Time: 8:30 a.m.

Location: Hybrid Meeting

Physical Meeting Location:
California Avocado Commission
12 Mauchly, Suite L
Irvine, CA 92618

Web/Teleconference URL:

<https://californiaavocado.zoom.us/j/82696997824?pwd=Mzl6eWM5WkR4dzh4MWhmUVBEeXViQT09>

Conference Call Number: (669) 900-6833

Meeting ID: 826 9699 7824

Passcode: 769954

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, March 11, 2023, the following individuals have advised the Commission they will participate in this meeting:

Gary Caloroso, *Member*

Will Carleton, *Member*

Jason Cole, *Member*

John Cornell, *Member*

Maureen Cottingham, *Member*

Rob Grether, *Member*

Jessica Hunter, *Member*

Connor Huser, *Alternate*

Ohannes Karaoghlanian, *Member*

Catherine Keeling, *Alternate*

Rachael Laenen, *Member*

Daryn Miller, *Member*

Michael Perricone, *Member*

Peter Shore, *Member*

Time	Item
8:30 a.m.	<ol style="list-style-type: none"> 1. Call to Order <ol style="list-style-type: none"> a. Roll Call/Quorum b. Introductions 2. Opportunity for Public Comment <p>Any person may address the Board at this time on any subject within the jurisdiction of the California Avocado Commission.</p> 3. Consent Calendar <p>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.</p> <ol style="list-style-type: none"> a. Consider approval of Board of Director's meeting minutes of November 17, 2022 b. 2022-23 Financial and crop update c. Consider approval of committee appointments d. Consider approval of CAC as provider of Avocado Inspection Program administrative services for the CDFA for the period from July 2023 through June 2024 4. Consider appointment of producer alternate members to fill existing vacancies for terms ending October 31, 2023 <ol style="list-style-type: none"> a. District 1 producer alternate member b. District 3 producer alternate member c. District 5 producer alternate member 5. President's Report <ol style="list-style-type: none"> a. Update on the overall administration of the Commission b. Consider Public Member selection process 6. Treasurer's Report <ol style="list-style-type: none"> a. Consider acceptance of 2021-22 audited financial statements b. Consider approval of CAC line of credit 7. Operations <ol style="list-style-type: none"> a. CAC office flood and repair update b. Moss Adams procure to pay assessment 8. Marketing <ol style="list-style-type: none"> a. Season kick-off 9. Industry Affairs <ol style="list-style-type: none"> a. Industry meetings b. Industry partnerships (AFF, ATAC, Sustainability) c. Pine Tree Ranch lease renewal

Time	Item
	10. Consider approval of HAB Bold Candidate Sponsorship
12:00 p.m.	11. Chairman's Report a. Other/new business
	12. 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 DIRECTORS' MEETING MINUTES
OF NOVEMBER 17, 2022**

SUMMARY:

The minutes of the Board of Directors' regular meeting of November 17, 2022 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 November 17, 2022

**CALIFORNIA AVOCADO COMMISSION
BOARD MEETING MINUTES
November 17, 2022**

A meeting of the California Avocado Commission (CAC) Board was held on Thursday, November 17, 2022 with the following people present:

MEMBERS PRESENT

Gary Caloroso
Will Carleton
Jason Cole
John Cornell
Maureen Cottingham
Rob Grether
Jessica Hunter
Ohannes Karaoghlanian
Rachael Laenen
Daryn Miller
Michael Perricone
Peter Shore

ALTERNATES PRESENT

Catherine Keeling
Charley Wolk

MEMBERS ABSENT

None

ALTERNATES ABSENT

Connor Huser

OFFICIALLY PRESENT

Victoria Carpenter, *USDA*
Katie Cook, *USDA*
Ben Kardokus, *CDFA*
Temra Wald, *Temra Wald Consulting*

STAFF PRESENT

April Aymami
Zac Benedict
Dave Cruz
Jan DeLyser
Angela Fraser
Ken Melban
Jeff Oberman

GUESTS PRESENT

David Anderson
Carolyn Becker
David Cornell
Nikki Ford
Eddie Grangetto
Candace Hollar
Kathleen Johnson
Kim Kurata
John McGuigan
Leo McGuire
Jillian McMenamin
Marji Morrow
Steven Muro
Jill Netzel
Laura Paden
Bryan Reugebrink
Matt Schraut
Tim Spann

ITEM #1 CALL TO ORDER

Ben Kardokus, representing the California Department of Food and Agriculture (CDFA), called the meeting to order at 9:01 a.m.

Announcement of Election Results and Introduction of New Members and Alternates - Item 1.a.

Mr. Kardokus announced that results from the recently concluded 2022 CAC General Election had been tallied and the following individuals had been elected to the CAC Board for two-year terms ending October 31, 2024:

District 1 Member: Jessica Hunter

District 4 Member: Rachael Laenen

District 2 Member: John Cornell

District 5 Member: Will Carleton

District 3 Member: Maureen Cottingham

Handler Member: Gary Caloroso

Mr. Kardokus reported that during the election 195 valid ballots had been received, with 29 ballots disqualified. He noted that the disqualified ballots had no impact on the results of the election.

Roll Call – Item 1.b.

Mr. Kardokus conducted roll call attendance and determined that a quorum was present.

Introductions

April Aymami, CAC industry affairs director, 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

John Cornell, CAC District 2 Board Member, provided comments regarding Rob Grether and his possible nomination as CAC Chair for the 2022-23 term. He urged the Board not to support Mr. Grether's nomination, listing various reasons for his position. It was Mr. Cornell's opinion that Mr. Grether demonstrated unethical behavior and should have recused himself from voting on a CAC Public Member nominee due to his personal friendship with the individual. In addition, he felt that Mr. Grether should have advised the Board when he became aware that the previous CAC president had moved out of state. Lastly, Mr. Cornell noted that after coming to an agreement with Mr. Grether regarding his reimbursable travel expenses to attend the November CAC Board meeting, that Mr. Grether had later come back with a new interpretation of the CAC travel policy and unjustly reduced the amount Mr. Cornell could submit for reimbursement.

ITEM # 3 ELECTION OF OFFICERS

Instruction on How Nominations and Voting for Board Officers will be Conducted – Item 3.a.

Mr. Kardokus provided a brief overview of Commission law and procedures as pertains to the nomination and election of Board officers.

Nominations and Election of Chairperson – Item 3.b.

Following the instructions on nominations and voting for board officers, Mr. Kardokus called for nominations for the seat of Chairperson. Rob Grether was nominated for the position of Chairperson by Rachael Laenen. Michael Perricone was nominated for the position of Chairperson by John Cornell. Subsequently, Mr. Perricone declined the nomination for the position. There were no further nominations for the position of Chairperson.

ACTION:

Move to elect Rob Grether to the position of Chairperson.

MSC (11 Yea/1 Nay)

MOTION 22-11-17-1

ITEM #4 CHAIRPERSON TAKES GAVEL AND PRESIDES

Chairperson's Opening Remarks – Item 4.b.

Mr. Grether thanked the Board for their support and electing him to the position of Chairperson for another term. He commented that the Board had made great progress, but there was still more work to be done. Mr. Grether noted he was always available and will continue to rely on support from the Board.

Nominations and Election of Vice-Chairperson, Secretary, and Treasurer – Item 4.a.

Vice Chairperson

Mr. Grether assumed the position of Chairperson and requested nominations for the position of Vice-Chairperson. Rachael Laenen was nominated for the position of Vice-Chairperson by Jason Cole. There were no further nominations for the position of Vice-Chairperson.

ACTION:

Move to elect Rachael Laenen to the position of Vice-Chairperson.

MSC (Unanimous)

MOTION 22-11-17-2

Secretary

Mr. Grether requested nominations for the position of Secretary. Jessica Hunter was nominated for the position of Secretary by Rachael Laenen. There were no further nominations for the position of Secretary.

ACTION:

Move to elect Jessica Hunter to the position of Secretary.

MSC (Unanimous)

MOTION 22-11-17-3

Treasurer

Mr. Grether requested nominations for the position of Treasurer. Jason Cole was nominated for the position of Treasurer by Jessica Hunter. There were no further nominations for the position of Treasurer.

ACTION:

Move to elect Jason Cole to the position of Treasurer.

MSC (Unanimous)

MOTION 22-11-17-4

ITEM # 5 CONSENT CALENDAR

Mr. Grether introduced the consent calendar items and asked for questions or comments. With no comments on the consent calendar items, the following motion was put forward:

MOTION:

The CAC Board of Directors approves the Consent Calendar, Items 5.a through 5.c as presented.

(Cole/Miller) MSC Unanimous

MOTION 22-11-17-5

The Consent Calendar is included in the November 2022 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Items 5.a through 5.c.

ITEM #6 OPERATIONS REPORT

Annual Audit - Item 6.a.

Ken Melban, CAC vice president of industry affairs and operations, reported CAC management had issued a request for proposals for financial audit services, with responses due back by the end of November 2022, in hopes that the final audit report could be presented to the Board at the February 2023 meeting.

Mr. Melban also reported that CAC's internal control policies and procedures were currently under review and that the operations department was working to transition month-end accounting services to an outsourced accounting firm.

ITEM #7 CAC 2022-23 MARKETING BUSINESS PLAN REVIEW

Revised Budget - Item 7.a.

Consumer-Trade Overview 7.b

Jeff Oberman, CAC president, commented that at the October 2022 CAC meeting, the Board had taken action to approve an \$8.6 million dollar marketing budget with the direction to management to revise the marketing plan within defined parameters. He noted that the marketing team had incorporated the Board's directive into the plan presented in the Board packet.

Jan DeLyser, CAC vice president marketing, summarized the revisions, noting the percentage shift between consumer and trade activities, with consumer scaled back and an increase to trade. She went on to explain the importance of the integration between CAC marketing programs and the need to continue to support the consumer advertising program which helps pull fruit through the market. Ms. DeLyser recognized the Board's desire to dig deeper into the marketing programs and make adjustments, and encouraged them to approve the plan as presented, as the revisions made addressed the requests of the Board.

The Board and management discussed various details of the proposed plan, highlighting the need for CAC to own content and assets, and look for opportunities to bring projects in-house instead of using third-party content creators. There was a desire to better understand how the marketing dollars were being spent and develop metrics to gauge success and return on

investment. An explanation was provided about the monies allocated for export marketing, noting the nominal budget was only CAC's matching funds to support the larger overall budget which was funded through federal grants. It was noted that while not much California fruit had been exported in recent years, that the export marketing promotions help provide another avenue for handlers to move California fruit when the U.S. market may be saturated. There was concern raised about the number of small cuts made to many programs, and the result of the overall effectiveness of the programs, to which management felt the proposed budget and plan allowed California to keep a foot in the door with these programs on a small crop year. Lastly, the question of using agencies, versus in-house staff, was raised. Comments were made in support of both options, and it was noted that all organizations like CAC have to continually evaluate what is done in-house as opposed to outsourced. The discussion concluded with the understanding that it was the Board's duty to approve a budget and management's responsibility to determine the most effective way to allocate resources to execute the plan.

MOTION:

The CAC Board of Directors approves the 2022-23 Marketing Plan and Budget as presented.

(Carleton/Laenen) MSC Unanimous

MOTION 22-11-17-6

The 2022-23 Marketing Plan and Budget are included in the November 2022 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 7.

ITEM #8 TRACKING STUDY PRESENTATION – TEMRA WALD

Ms. DeLyser introduced Temra Wald of Temra Wald Consulting. She noted that Ms. Wald had worked on CAC's business for many years bringing unique expertise that helps CAC craft the study to continually improve results.

Ms. Wald presented the results of the 2022 CAC Tracking Research providing an overview of methodology used, along with highlights of significant findings. The research concluded that awareness of California continues to be strong and mostly associated with summer, followed by spring. While U.S. and locally grown continues to be important, it was noted that checking for region had declined. Additionally, California Avocados continued to be seen as most premium, best quality and best tasting, freshest, safest, worth paying more for and the preferred region. With regard to fruit size, large was still the preferred choice, but preference for small had increased. Lastly, sustainability continued to be important among consumers and worth paying more for.

As a result of these findings, Ms. Wald suggested CAC continue to communicate the benefits of being grown in California, continue to remind consumers why California Avocados are better and worth paying more for and reinforce the messages regarding the sustainable growing practices utilized by California growers.

During Board discussion a question was raised about how to get this information to the handlers, to which Ms. DeLyser stated the same presentation would be made to the CAC Marketing Committee and was incorporated into parts of the handler season kick-off meetings conducted by CAC in January. Another question was asked about health and nutrition and why CAC didn't focus on those areas in the tracking study. Ms. DeLyser noted that the Hass Avocado Board conducts a similar study each year and addresses the areas of health and nutrition.

The CAC 2022 Tracking Study Presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

ITEM #9 INDUSTRY AFFAIRS REPORT

Mr. Oberman reported on CAC management's meetings with industry stakeholders at the International Fresh Produce Association Global Produce & Floral Show. He noted that it was expected 2023 would see an large increase in avocado volume in the U.S. and the importance of maintaining relationships to support the growth of the U.S. market.

Mr. Melban stated that a virtual workshop to present information regarding the GEM variety was scheduled for December. He had invited handlers to participate in a panel discussion during the workshop to provide factual information about the variety and the marketing plans each handler had in place. A suggestion was made that the handlers should gather information from their retail partners about their position on other varieties to present at the meeting as well.

There was an open discussion about CAC focusing on marketing versus the sustainability of the California avocado industry. It was commented that CAC cannot ensure all growers or potential growers are profitable and that there are limited areas that CAC can impact, specifically work to drive volume and value higher. Points were made for increased grower education and outreach to improve production per acre, however even then, with production costs varying greatly across regions, it would be difficult to ensure increased profitability for all. It was also noted that many other handlers and grower associations were conducting extensive grower outreach and education seminars, many of which CAC supported or participated in.

Lastly, Mr. Melban provided a brief update on his work with a group to look at how to revitalize agriculture in San Diego County. The focus was on increasing productivity and improving efficiencies to sustain avocado growers. Once the work plans are finalized, the hope is that growers would be able to tap into grant funds for projects aligned with these goals.

ADJOURN MEETING

Mr. Grether adjourned the meeting at 11:35 a.m. The next regularly scheduled Board meeting will be held on February 28, 2023.

Respectfully submitted,

April Aymami, CAC Industry Affairs Director

I certify that the above is a true statement of the Minutes of November 17, 2022 approved by the CAC Board of Directors on March 14, 2023.

Jessica Hunter, CAC Board Secretary

EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES

EXHIBIT A November 2022 Board Packet
EXHIBIT B CAC 2022 Tracking Study Presentation
EXHIBIT C November 17, 2022 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 – Irvine Online - Zoom</i>	Meeting Date: <i>November 17, 2022</i>
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<i>Attendees Who Voted</i>	<i><u>MOTION</u> 22-11-17-1</i>	<i><u>MOTION</u> 22-11-17-2</i>	<i><u>MOTION</u> 22-11-17-3</i>	<i><u>MOTION</u> 22-11-17-4</i>	<i><u>MOTION</u> 22-11-17-5</i>	<i><u>MOTION</u> 22-11-17-6</i>
Michael Perricone	Yea	Yea	Yea	Yea	Yea	Yea
Jessica Hunter	Yea	Yea	Yea	Yea	Yea	Yea
Ohannes Karaoghlarian	Yea	Yea	Yea	Yea	Yea	Yea
John Cornell	Nay	Yea	Yea	Yea	Yea	Yea
Rob Grether	Yea	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote
Maureen Cottingham	Yea	Yea	Yea	Yea	Yea	Yea
Jason Cole	Yea	Yea	Yea	Yea	Yea	Yea
Rachael Laenen	Yea	Yea	Yea	Yea	Yea	Yea
Daryn Miller	Yea	Yea	Yea	Yea	Yea	Yea
Will Carleton	Yea	Yea	Yea	Yea	Yea	Yea
Peter Shore	Yea	Yea	Yea	Yea	Yea	Yea
Gary Caloroso	Yea	Yea	Yea	Yea	Yea	Yea
<i>Outcome</i>	<i>11 Yea 1 Nay</i>	<i>Unanimous</i>	<i>Unanimous</i>	<i>Unanimous</i>	<i>Unanimous</i>	<i>Unanimous</i>



BOARD INFORMATION

ITEM 3.b: 2022-23 FINANCIAL & CROP UPDATE

SUMMARY:

Financial Position and Operational Indicators

The following are highlights taken from the Commission's Statement of Net Position (Balance Sheet & Reserves) as of December 31, 2022, and Statement of Revenues, Expenses & Changes in Net Position (Income Statement) for the period then ended, with comparison to prior year's figures:

	12/31/22	12/31/21
Assets		
Petty Cash	240	200
Cash in Bank-Checking Accounts	1,986,835	163,033
Investments (LAIF & MMA)	8,741,325	8,900,143
Subtotal CAC Cash & Investment	10,728,400	9,063,376
Cash & Investments held for AIP	884,907	924,364
Total Cash & Investment	11,613,307	9,987,740
Assessment Receivable	1,124	1,365
Other (Other Receivables, Prepaids and Fixed Assets)	479,512	631,478
Total Assets	12,093,944	10,620,583
Liabilities & Net Reserves		
Accounts Payable and Accrued Expenses	345,160	237,677
Due to AIP	884,907	924,364
Other	185,038	252,693
Total Liabilities	1,415,105	1,414,734
Total Revenues	3,992	19,289
Total Expenditures	952,335	1,225,863
YTD Surplus (Deficit)	(948,343)	(1,206,574)
Net Reserves-Prior Periods (21-22 Est.)	11,627,182	10,403,924
Total Net Reserves	10,678,839	9,197,350
Total Liabilities & Net Reserves	12,093,944	10,620,583

Crop Statistics

Handlers reported 213,448 pounds of California avocados were harvested through January 2023 with an average price (per pound) reported at \$0.495 dollars. An estimated 2.04 million pounds were harvested in February 2023 with an average price (per pound) of \$0.91 dollars. This would bring the total harvested through February 2023 to 2.25 million pounds at an average price (per pound) of \$0.87 dollars.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Discussion item only

STAFF RECOMMENDATION:

- Not applicable

EXHIBITS / ATTACHMENTS:

- Balance Sheet as of December 31, 2022
- Income Statement as of December 31, 2022
- 2021-22 Pounds & Dollars by Variety Report (November 2021 – October 2022)
- 2022-23 Pounds & Dollars by Variety Report (November 2022 – January 2023)

Balance Sheet
As of 12/31/2022

California Avocado Commission (CAC)

Assets

Cash

10001-00-000	Petty Cash	\$	240.00	
10005-00-000	Cash in Bank-BOW	\$	1,986,835.17	
10103-20-000	Cash in Bank - BOW - (held for AIP)	\$	46,963.80	
10201-00-000	Cash in Bank-LAIF	\$	10,268.44	
10205-00-000	Money Market Account-BOW	\$	8,731,057.09	
10303-20-000	Money Market Account - BOW (held for AIP)	\$	837,943.01	
	Total Cash:			\$ 11,613,307.51

Accounts Receivable

11001-00-000	Assessment Receivable	\$	1,124.22	
12004-00-000	Avocado Inspection Program Receivable	\$	5,145.17	
	Total Accounts Receivable:			\$ 6,269.39

Other Receivable

12701-00-000	Grant Receivable	\$	315,852.03	
12801-00-000	Voluntary Life Benefit Receivable	\$	33.45	
12901-00-000	Misc Receivable	\$	-847.49	
	Total Other Receivable:			\$ 315,037.99

Prepayments

13001-00-000	Prepaid Deposits	\$	11,352.50	
13002-00-000	Prepaid Expenses	\$	52,608.23	
	Total Prepayments:			\$ 63,960.73

Fixed Assets

15001-00-000	Furniture	\$	24,261.68	
15401-00-000	Land Improvements	\$	7,050.46	
	Total Fixed Assets:			\$ 31,312.14

Other Assets

17000-00-000	Merchandise Shop Inventory	\$	64,056.01	
	Total Other Assets:			\$ 64,056.01
	Total Assets:			<u><u>\$ 12,093,943.77</u></u>

Liabilities

Current Liabilities

20001-00-000	Accounts Payable	\$	8,418.91	
20101-00-000	Accrued Expenses	\$	336,740.58	
21021-00-000	Vacation Payable - Short Term	\$	167,029.44	
21031-00-000	Deferred Compensation Payable	\$	9.00	
22001-20-000	Due to AIP-Checking	\$	46,963.80	
22101-20-000	Due to AIP-MMA	\$	837,943.01	
	Total Current Liabilities:			\$ 1,397,104.74

Long-Term Liabilities

28101-00-000	Deposit Due to CDFA/AIP	\$	18,000.00	
	Total Long-Term Liabilities:			\$ 18,000.00
	Total Liabilities:			\$ 1,415,104.74

Net Assets

32000-00-000	Retained Earnings	\$	11,627,182.05	
32000-00-000	Net Assets-Current Year	\$	-948,343.02	
	Total Net Assets:			\$ 10,678,839.03
	Total Liabilities & Net Assets:			<u><u>\$ 12,093,943.77</u></u>

**Income Statement For Board
For The 2 Periods Ended 12/31/2022**

California Avocado Commission (CAC)

		ORIGINAL		
	Year to Date	YTD Budget	Variance	Variance %
Revenue				
CAC Assessment Revenue-Current Year	800	824	-24	-2.91%
CAC Assessment Revenue-Prior Year	274	0	274	0.00%
HAB Rebate Assess. Revenue-Current Year	0	824	-824	-100.00%
Accounting/Administration Fee Revenue (AIP)	0	10,166	-10,166	-100.00%
Merch Shop Sales Revenue - CA Dreamin' Hoodie	0	1,000	-1,000	-100.00%
Interest Income	2,918	2,500	418	16.72%
Total Revenue:	3,992	15,314	-11,322	-73.93%
Gross Profit:	3,992	15,314	-11,322	-73.93%
Expenses				
Marketing Expenses				
Media-85% Rebate-Mullen	18,000	18,000	0	0.00%
Production-Mullen	0	30,000	30,000	100.00%
Program Administration Fees-85% Rebate-Mullen	237,157	237,157	0	0.00%
Marketing Planning/Special Projects-ROMO	4,100	4,100	0	0.00%
Marketing Planning/Special Projects-85% Reb-ROMO	3,850	3,850	0	0.00%
Trade Advertising-Production-FUSION	6,294	6,300	6	0.10%
Trade Advertising-Production-85% Rebate-Fusion	6,210	6,500	290	4.46%
Marketing Support-85% Reb-ROMO	6,200	6,200	0	0.00%
Trade PR Fees-ROMO	4,400	4,400	0	0.00%
Recipe Development-85% Rebate-ROMO	500	500	0	0.00%
Sponsorship-SoCal-85% Rebate	0	160	160	100.00%
Program Admin/Strategy/Planning-PJ/PR	2,000	2,000	0	0.00%
Retail Registered Dietitian Relations-Fees-PJ/PR	5,100	5,100	0	0.00%
Key Account Marketing Communications-Fees-PJ/PR	19,450	19,450	0	0.00%
Key Account Coverage-TX/MW/SE-Anderson-85% Rebate	14,300	14,300	0	0.00%
Key Account Coverage-SW/NW-Becker-85% Rebate	25,000	25,000	0	0.00%
Co-Marketing Photo Shoot	749	0	-749	0.00%
Co-Marketing Photo Shoot-85% Rebate	26	26	0	0.00%
Grower Communications-GingerRoot	1,600	1,140	-460	-40.35%
Data Analysis & Retail Research-FUSION	7,186	9,860	2,674	27.12%
Inventory Reporting-AVMA	450	450	0	0.00%
Tiered-Acct Consultation & Reporting-FUSION	19,379	3,000	-16,379	-545.97%
Planning & Program Administration-85% Rebate-FUSIO	4,747	3,444	-1,303	-37.83%
Storage/Fulfillment	1,686	0	-1,686	0.00%
Storage/Fulfillment-85% Rebate	1,686	3,000	1,314	43.80%
Travel & Entertainment-DeLyser	482	0	-482	0.00%
Travel & Entertainment-Merch Staff-85% Rebate	0	250	250	100.00%
Office Expense-Merchandising Staff	424	0	-424	0.00%
Office Expense-Merch Staff-85% Rebate	1,479	2,500	1,021	40.84%
Media-85% Rebate-KC	600	600	0	0.00%
Production-85% Rebate-KC	3,900	3,200	-700	-21.88%
Public Relations-85% Rebate-KC	22,004	20,510	-1,494	-7.28%
Foodservice Events-85% Rebate-KC	10,724	10,400	-324	-3.12%
Chain Promotions-85% Rebate-KC	2,972	3,072	100	3.26%
Culinary Education Program-KC	250	250	0	0.00%
Program Administration Fees-85% Rebate-KC	4,850	5,600	750	13.39%
Program Administration Expenses-85% Rebate-KC	1	0	-1	0.00%
Artisan Chef Program-85% Rebate-Golin	5,288	4,550	-738	-16.22%
News Bureau-85% Rebate-Golin	6,838	5,969	-869	-14.56%

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**Income Statement For Board
For The 2 Periods Ended 12/31/2022**

California Avocado Commission (CAC)

	Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Marketing Expenses	(Continued)			
Media Tracking & Reporting-85% Rebate-Golin	4,878	4,798	-80	-1.67%
Blogger Advocates-Golin	6,850	6,586	-264	-4.01%
Living Well Brand Advocates-85% Rebate	78	5,705	5,627	98.63%
Living Well Brand Advocates-85% Rebate-PJ/PR	8,970	8,970	0	0.00%
Program Administration Fees-85% Rebate-Golin	19,601	16,384	-3,217	-19.64%
Living Well Pgm Adm Fees-85% Rebate-PJ/PR	1,000	1,000	0	0.00%
Website & Blog-Mullen	0	32,762	32,762	100.00%
Social Media & Content Marketing	0	2,500	2,500	100.00%
Social Media & Content Marketing-Mullen	0	13,000	13,000	100.00%
Online & Social Media Support-ROMO	2,300	2,300	0	0.00%
Merch Shop COGS - CA Dreamin' Hoodie	0	1,000	1,000	100.00%
Merch Shop Shipping Costs-Outbound Freight	0	2,600	2,600	100.00%
Merch Shop Order Processing - PMC	0	900	900	100.00%
Merch Shop Customer Service - PMC	0	20	20	100.00%
Merch Shop Credit Card Fees	0	40	40	100.00%
Merch Shop Program Fee - PMC	0	1,600	1,600	100.00%
Merch Shop Program Fee - Shopify	349	407	58	14.25%
Merch Shop Sales Tax Expense	0	3,433	3,433	100.00%
Total Marketing Expenses:	493,908	564,843	70,935	12.56%
Industry Affairs & Production Research				
AMRIC Operation-Misc	233	3,000	2,767	92.23%
AMRIC Operation-Hooman Mohammadpour	0	1,500	1,500	100.00%
Online Information	139	600	461	76.83%
Online Information-GingerRoot	1,840	3,500	1,660	47.43%
Online Information-Fishhook	0	800	800	100.00%
Publications-Misc	66	500	434	86.80%
Publications-ROMO	375	750	375	50.00%
Publications-Fox Wthr	220	220	0	0.00%
Publications-GingerRoot	0	1,875	1,875	100.00%
Annual Meeting	7,090	0	-7,090	0.00%
Research Program Coordination & Outreach	16,000	16,000	0	0.00%
Elections	0	1,000	1,000	100.00%
Legal Support	12,029	6,500	-5,529	-85.06%
Pine Tree - Rent	4,152	4,152	0	0.00%
Pine Tree - Grove Management	2,840	3,000	160	5.33%
Pine Tree - Utilities	-1,500	0	1,500	0.00%
Pine Tree - Property Tax & Insurance	-709	0	709	0.00%
Pine Tree - Crop Harvesting	-185	0	185	0.00%
Coalition Dues, Sponsorships , Registrations & Rep	750	1,600	850	53.13%
Industry Reports-AVMA	80	80	0	0.00%
Travel	7,889	6,000	-1,889	-31.48%
Office Expense	120	1,900	1,780	93.68%
Develop tools and info on crop water use	0	73,900	73,900	100.00%
USDA Grant - FAS MAP China	10,700	0	-10,700	0.00%
Total Industry Affairs & Production Research:	62,129	126,877	64,748	51.03%
Administration				
Rent-Office-Mauchly	20,447	20,740	293	1.41%
Rent-CAM, Ins, Prop Tax-Mauchly	3,343	3,400	57	1.68%
Rent-Offsite Storage	1,405	1,406	1	0.07%

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**Income Statement For Board
For The 2 Periods Ended 12/31/2022**

California Avocado Commission (CAC)

	Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Administration	(Continued)			
Office Expense	1,308	900	-408	-45.33%
Office Supplies	163	1,200	1,037	86.42%
Janitorial-Mauchly	892	1,800	908	50.44%
Utilities-Mauchly	48	2,100	2,052	97.71%
Bank & Payroll Fees	856	2,780	1,924	69.21%
Equipment Maintenance & Expense	1,161	4,905	3,744	76.33%
Telephone	1,257	1,560	303	19.42%
Cell Phone	614	2,270	1,656	72.95%
Postage & Courier Service	0	620	620	100.00%
CPA-Assessment Audits	-7,801	0	7,801	0.00%
Calif. Department of Food & Ag.-CDFA	16,083	13,660	-2,423	-17.74%
Dept. of Ag-USDA/AMS	-72	10,000	10,072	100.72%
Outsourced Accounting	0	20,000	20,000	100.00%
Other Professional Expense	0	15,000	15,000	100.00%
Salaries/Wages	261,276	282,620	21,344	7.55%
Pension Expense	23,771	28,262	4,491	15.89%
Payroll Tax & Work Comp	14,144	20,800	6,656	32.00%
Benefits	31,194	49,880	18,686	37.46%
Board Members-Travel, Lodging, Mileage, Meals	10,059	0	-10,059	0.00%
Board Meeting Expenses	271	3,750	3,479	92.77%
Network Maintenance	4,840	5,238	398	7.60%
Network Hardware, Software & Licenses	1,104	730	-374	-51.23%
IT Support & Consulting	1,392	3,080	1,688	54.81%
IT Services	1,380	1,518	138	9.09%
Staff Travel & Entertainment	4,201	5,000	799	15.98%
Depreciation Expense	7,745	7,744	-1	-0.01%
Pension Adm & Legal-The Retirement Plan Company	0	2,250	2,250	100.00%
Membership Dues & Registration	1,026	0	-1,026	0.00%
Dues, Education, Training, Recruitment & Other	-5,811	0	5,811	0.00%
Total Administration:	396,296	513,213	116,917	22.78%
Total Expenses:	952,333	1,204,933	252,600	20.96%
Operating Income (Loss):	-948,341	-1,189,619	241,278	20.28%
Earnings Before Income Tax:	-948,341	-1,189,619	241,278	20.28%
Net Change in Net Assets:	-948,341	-1,189,619	241,278	20.28%

CALIFORNIA AVOCADO COMMISSION POUNDS & DOLLARS BY VARIETY

November 2021 Through October 2022

Month	Hass Pounds	Lamb Pounds	Gem Pounds	Others Pounds	Total Pounds	Hass Dollars	Lamb Dollars	Gem Dollars	Others Dollars	Total Dollars	Avg \$/Lb
Nov 2021	25,432	3,582	0	73,789	102,803	\$35,115	\$6,113	\$	\$102,366	\$143,594	\$1.397
Dec 2021	8,018		0	26,052	34,070	\$15,742	0	\$	\$20,361	\$36,103	\$1.060
Jan 2022	7,647,756		0	197,244	7,845,000	\$12,056,594	0	\$	\$132,257	\$12,188,851	\$1.554
1st QTR	7,681,206	3,582	0	297,085	7,981,873	\$12,107,451	\$6,113	0	\$254,984	\$12,368,548	\$1.550
Feb 2022	27,609,858		6,814	75,251	27,691,923	\$43,637,363	0	\$3,505	\$45,425	\$43,686,293	\$1.578
Mar 2022	32,232,723		466,366	28,785	32,727,874	\$49,531,316	0	\$894,602	\$14,620	\$50,440,538	\$1.541
Apr 2022	48,477,509	8	1,846,498	84,069	50,408,084	\$83,068,347	\$42	\$3,755,235	\$137,442	\$86,961,066	\$1.725
2nd QTR	108,320,090	8	2,319,678	188,105	110,827,881	\$176,237,026	\$42	\$4,653,342	\$197,487	\$181,087,897	\$1.634
1st Half	116,001,296	3,590	2,319,678	485,190	118,809,754	\$188,344,477	\$6,155	\$4,653,342	\$452,471	\$193,456,445	\$1.628
May 2022	55,596,453		1,993,131	2,973	57,592,557	\$101,801,603	0	\$2,695,941	\$8,312	\$104,505,856	\$1.815
Jun 2022	50,114,554	1,542,147	610,748	201,087	52,468,536	\$105,761,623	\$2,330,548	\$1,305,230	\$286,492	\$109,683,893	\$2.090
Jul 2022	27,448,377	5,213,097	57,512	263,874	32,982,860	\$51,125,984	\$12,558,087	\$121,663	\$262,049	\$64,067,783	\$1.942
3rd QTR	133,159,384	6,755,244	2,661,391	467,934	143,043,953	\$258,689,210	\$14,888,635	\$4,122,834	\$556,853	\$278,257,532	\$1.945
Aug 2022	6,923,641	2,033,419	14,364	245,086	9,216,510	\$7,580,970	\$2,162,672	\$13,002	\$259,437	\$10,016,081	\$1.087
Sep 2022	2,972,034	1,003,816	0	103,144	4,078,994	\$2,737,908	\$1,079,820	\$	\$177,695	\$3,995,423	\$0.980
Oct 2022	986,496	1,710	0	711	988,917	\$817,070	\$5,450	\$	\$1,025	\$823,545	\$0.833
4th QTR	10,882,171	3,038,945	14,364	348,941	14,284,421	\$11,135,948	\$3,247,942	\$13,002	\$438,157	\$14,835,049	\$1.039
2nd Half	144,041,555	9,794,189	2,675,755	816,875	157,328,374	\$269,825,158	\$18,136,577	\$4,135,836	\$995,010	\$293,092,581	\$1.863
Total	260,042,851	9,797,779	4,995,433	1,302,065	276,138,128	\$458,169,635	\$18,142,732	\$8,789,178	\$1,447,481	\$486,549,026	\$1.762
Year-to-Date % of Crop	94.17%	3.55%	1.81%	.47%	100.00%	94.17%	3.73%	1.81%	.30%	100.00%	
Year-to-Date Average \$/lb						\$1.762	\$1.852	\$1.759	\$1.112	\$1.762	

CALIFORNIA AVOCADO COMMISSION
POUNDS & DOLLARS BY VARIETY

November 2022 Through January 2023

Month	Hass Pounds	Lamb Pounds	Gem Pounds	Others Pounds	Total Pounds	Hass Dollars	Lamb Dollars	Gem Dollars	Others Dollars	Total Dollars	Avg \$/Lb
Nov 2022	3,188	344	0	118,842	122,374	\$9,223	\$1,443	\$	\$12,888	\$23,554	\$0.192
Dec 2022	1,710		0	53,379	55,089	\$5,130	0	\$	\$41,456	\$46,586	\$0.846
Jan 2023	30,745		0	5,240	35,985	\$31,925	0	\$	\$3,521	\$35,446	\$0.985
1st QTR	35,643	344	0	177,461	213,448	\$46,278	\$1,443	0	\$57,865	\$105,586	\$0.495
1st Half	35,643	344	0	177,461	213,448	\$46,278	\$1,443	0	\$57,865	\$105,586	\$0.495
Total	35,643	344	0	177,461	213,448	\$46,278	\$1,443	0	\$57,865	\$105,586	\$0.495
Year-to-Date % of Crop	16.70%	.16%	.00%	83.14%	100.00%	43.83%	1.37%	.00%	54.80%	100.00%	
Year-to-Date Average \$/lb						\$1.298	\$4.195	\$0.000	\$0.326	\$0.495	



BOARD ACTION

ITEM 3.c: CONSIDER APPROVAL OF COMMITTEE APPOINTMENTS

SUMMARY:

Under Commission law, CAC has the power to appoint committees composed of both members and non-members of the Commission to advise the Commission in carrying out Chapter 5 of Division 22 of the Food and Agricultural Code. (§67058). During the 2018 Board Orientation, it was emphasized that the Board delegates assignments to committees, while retaining final authority on all program, projects, activities and policies adopted by any committee of the Commission. CAC Bylaws specify:

The Chairperson of the Commission shall appoint all committee chairpersons and shall appoint all members of each committee after consultation with the committee Chairperson affected. Appointments are subject to approval by the Commission and may be changed from time to time as determined by the Chairperson and concurred in by the Commission. (Article IV, 1.b).

In addition, the Bylaws allow the Chairperson to appoint committee members from among the Board members and alternates, as well as the industry in general. (Article IV, 1.d).

Chairman Rob Grether has acted in accordance with the above and appointed Chairpersons for several functional committees. Chairman Grether and the committee Chairpersons then conferred regarding committee members. The attached list has been prepared for Board approval.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Approve the committee appointments, as recommended by the Chairman
- Modify the committee appointments
- Take no action

STAFF RECOMMENDATION:

- Staff supports the appointments as proposed

EXHIBITS / ATTACHMENTS:

- 2022-23 Committee Appointments



2022-23 COMMITTEE APPOINTMENTS

EXECUTIVE COMMITTEE

- Rob Grether, Chair
- Rachael Laenen, Vice Chair
- Jason Cole, Treasurer
- Jessica Hunter, Secretary

FINANCE COMMITTEE

- Jason Cole, Chair
- Will Carleton
- Maureen Cottingham
- Kellen Newhouse
- Andrew Prechtel

MARKETING COMMITTEE

- Gary Caloroso, Giumarra Companies, Chair
- Jennifer Anazawa, Mission Produce
- Maureen Cottingham, Grower
- Dave Fausset, Westfalia Fruit Americas
- Robert Jackson, Grower
- Patrick Lucy, Del Rey Avocado
- Andy Lyall, Grower
- Carson McDaniel, McDaniel Fruit Company
- Hayden McIntyre, Grower
- Joe Nava, West Pak Avocado
- Steve Taft, Eco Farms
- Peter Shore, Calavo Growers
- Chris Varvel, Henry Avocado
- Debbie Willmann, Index Fresh

PRODUCTION RESEARCH COMMITTEE

- Leo McGuire
- John Burr
- Jason Cole
- Jim Davis
- Consuelo Fernandez (Brokaw Nursery)
- Darren Haver (UC)
- Danny Klittich
- Daryn Miller
- Ryan Rochefort

HASS AVOCADO COMMITTEE REPRESENTATIVES

- Ohannes Karaoghlanian
- Peter Shore

NOTE: Chairman Grether is an ex-officio member of all CAC committees, task forces and teams



BOARD ACTION

ITEM 3.d: CONSIDER APPROVAL OF CAC AS PROVIDER OF AVOCADO INSPECTION PROGRAM ADMINISTRATIVE SERVICES FOR THE CDFA FOR THE PERIOD FROM JULY 2023 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 reimbursed by AIP for providing administrative services. In 2022-23, this amount will be \$61,000, of which \$50,300 is for personnel costs and \$10,700 is for liability insurance.

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



BOARD ACTION

ITEM 4.a: CONSIDER APPOINTMENT OF DISTRICT 1 PRODUCER ALTERNATE MEMBER TO FILL EXISTING VACANCY FOR TERM ENDING OCTOBER 31, 2023

SUMMARY:

There currently exists a District 1 producer alternate member vacancy on the CAC Board for the term ending October 31, 2023. This vacancy is the result of previous producer alternate Ryan Rochefort resigning from his seat in 2022. The Commission announced the District 1 alternate vacancy in January 2023, and at the time this item was prepared, the following individuals have stepped forward as nominees for the District 1 producer alternate member position:

- Robert Jackson

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 producer alternate vacancy prior to the March 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).

A VOTE WILL BE TAKEN AT THE MARCH BOARD MEETING TO APPOINT A NOMINEE TO FILL THE DISTRICT 1 PRODUCER ALTERNATE VACANCY.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant District 1 producer alternate seat as required by the Election Procedures

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- Statement of Qualifications and Disclosure of Affiliations for Robert Jackson



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 1 (Refer to enclosed **Grove District Zip Code List**)

I **own** the following number of planted avocado acres in California 250 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) 2.

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: Del Rey; Guerrero; Index; _____.

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: Robert Jackson

SIGNATURE: [Signature]

DATE: 2/6/2009

STATEMENT OF QUALIFICATIONS

I have been involved in avocado farming since approximately 1968 when my father planted our ten acre ranch located in Fallbrook with avocados. I was in high school at the time, and my “summer job” was to plan and develop the planting of the ranch. Over the years, I took a lot of pleasure in watching the development and growth of my parent’s avocado ranch.

Following graduation from college and law school, I returned to the San Diego county area, and have been a practicing attorney for over 38 years. About fifteen years ago, I purchased my first avocado grove, and then in subsequent years, purchased five additional groves. I currently farm approximately 250 acres of avocados. Although I have about 100 acres of Haas trees, I have become actively involved in exploring high density plantings in both Reed and GEM avocados. I see the Reed and GEM varieties as offering a potential alternative to the financial challenges facing the California avocado community.



BOARD ACTION

ITEM 4.b: CONSIDER APPOINTMENT OF DISTRICT 3 PRODUCER ALTERNATE MEMBER TO FILL EXISTING VACANCY FOR TERM ENDING OCTOBER 31, 2023

SUMMARY:

There currently exists a District 3 producer alternate member vacancy on the CAC Board for the term ending October 31, 2023. This vacancy is the result of previous producer alternate Maureen Cottingham assuming the District 3 producer member during the 2022 CAC General Election. The Commission announced the District 3 alternate vacancy in January 2023, and at the time this item was prepared, the following individuals have stepped forward as nominees for the District 3 producer alternate member position:

- Hayden McIntyre
- Doug O'Hara
- James Shafer

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 3 producer alternate vacancy prior to the March 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).

A VOTE WILL BE TAKEN AT THE MARCH BOARD MEETING TO APPOINT A NOMINEE TO FILL THE DISTRICT 3 PRODUCER ALTERNATE VACANCY.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant District 3 producer alternate seat as required by the Election Procedures

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- Statement of Qualifications and Disclosure of Affiliations for Hayden McIntyre
- Statement of Qualifications and Disclosure of Affiliations for Doug O'Hara
- Statement of Qualifications and Disclosure of Affiliations for James Shafer



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 ____ (Refer to enclosed **Grove District Zip Code List**)

I **own** 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 **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: _____; _____; _____; _____.

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: _____

SIGNATURE: Hayden McIntyre **DATE:** _____



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: _____

GROVE CITY/CITIES: _____

CAC BOARD SEAT PREFERRED: ☐ MEMBER ☐ ALTERNATE ☐ NO PREFERENCE

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 am a third-generation avocado grower. I started my experience working for Ryan
Rochfort, scouting and doing developments in San Diego County. I moved to Somis in 2018
and started my growing up here! I believe in sustainable agricultural solutions and the Use
of tech in agriculture. As the president of Sierra Pacific Farms North, I have been working
on introducing sustainable practices in a commercial farming atmosphere with a boots on
the ground approach.

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: Hayden McIntyre DATE: _____



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 3 (Refer to enclosed **Grove District Zip Code List**)

I **own** 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 **manage** the following number of planted avocado acres in California 525 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) 4.

I **pack** my fruit with the following handlers: Del Rey; Calavo; West Pak; _____.

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: Doug O'Hara

SIGNATURE: [Signature]

DATE: 2/6/23



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: Doug O'Hara

GROVE CITY/CITIES: Ventura, Sonoma, Moraga

CAC BOARD SEAT PREFERRED: ☐ MEMBER ☒ ALTERNATE ☐ NO PREFERENCE

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 have been farming California avocados for over 29 years and have served on the commission in the past for over 9 years. I have held many positions on the board and committees:

- Chairman of the Board for 2 years
- Vice Chairman for 3 years
- Finance committee
- PRC committee
- Marketing committee
- Redistricting committee

I strongly believe in the California brand and feel my many years of experience in the industry can benefit the board and the CA growers. I feel marketing of our brand is very important and will help us compete with the many imports coming into the country. I also feel it is important to represent the CA growers and give them all the tools they need to be successful. It is important for CAC to do all that they can to promote our product and assist our growers and I would appreciate the opportunity to be a part of the process. Thank you.

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: [Signature] DATE: 2/6/23



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 3 (Refer to enclosed **Grove District Zip Code List**)

I **own** the following number of planted avocado acres in California 70 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) n/a.

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) n/a.

I **pack** my fruit with the following handlers: Index Fresh; ; ; .

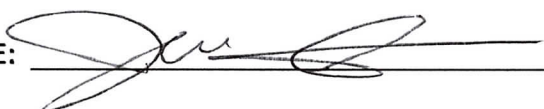
In addition, I am also involved in the avocado industry in the following capacities (*check all that apply*):

- ☐ 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: James Shafer

SIGNATURE:  DATE: 2/23/23



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: James Shafer

GROVE CITY/CITIES: Saticoy

CAC BOARD SEAT PREFERRED:

☐

MEMBER

☒

ALTERNATE

☐

NO PREFERENCE

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 James Shafer, grandson of Jim Lloyd-Butler, and I want to join the California Avocado Commission's Board of Directors as an Alternate to represent District 3's interests on California's preferred avocado advocacy group.

Over the past six years, I worked for a global market intelligence and consulting firm, FrontierView, supporting multinationals operating in emerging markets by providing strategic planning, commercial execution, and risk management analysis.

I now work part time for a venture capital firm, investing in bank technologies that support community bank growth, providing me with analytical and operational experience. Additionally, I serve as co-manager of Bonelo Santa Clara del Norte, supporting our operations and strategy. I look forward to leveraging that knowledge and work experience to represent District 3.

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: _____

2/23/23



BOARD ACTION

ITEM 4.c: CONSIDER APPOINTMENT OF DISTRICT 5 PRODUCER ALTERNATE MEMBER TO FILL EXISTING VACANCY FOR TERM ENDING OCTOBER 31, 2023

SUMMARY:

There currently exists a District 5 producer alternate member vacancy on the CAC Board for the term ending October 31, 2023. This vacancy is the result of previous producer alternate Will Carleton assuming the District 5 producer member during the 2022 CAC General Election. The Commission announced the District 5 alternate vacancy in January 2023, and at the time this item was prepared, the following individuals have stepped forward as nominees for the District 5 producer alternate member position:

- Jed Harrison
- James Johnson
- Laurie Luschei
- 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 producer alternate vacancy prior to the March 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).

A VOTE WILL BE TAKEN AT THE MARCH BOARD MEETING TO APPOINT A NOMINEE TO FILL THE DISTRICT 5 PRODUCER ALTERNATE VACANCY.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Conduct a vote to fill the vacant District 5 producer alternate seat as required by the Election Procedures

STAFF RECOMMENDATION:

- None

EXHIBITS / ATTACHMENTS:

- Statement of Qualifications and Disclosure of Affiliations for Jed Harrison
- Statement of Qualifications and Disclosure of Affiliations for James Johnson
- Statement of Qualifications and Disclosure of Affiliations for Laurie Luschei
- Statement of Qualifications and Disclosure of Affiliations 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 4 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: Index Fresh, Del Rey; _____; _____.

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:

Jed Harrison

SIGNATURE:

DATE: February 17, 2023



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: Jed Harrison

GROVE CITY/CITIES: Lemon Cove, Tulare County

CAC BOARD SEAT PREFERRED: ☒ MEMBER ☒ ALTERNATE ☐ NO PREFERENCE

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 grow avocados and citrus on my ranch in Lemon Cove, Tulare County. I planted my first avocados in 2011. I currently grow Gems, Lambs and Hass.

I'm an advocate of the Gem variety, and have participated in the recently completed Gem maturity study conducted by Dr Arpaia.

I also believe that the San Joaquin Valley has great promise as an avocado growing region. Economic, climate and water concerns will continue to impact all California avocado growers. My personal experience, the avocado trials at the UC Lindcove Research Center, and experiences of other growers in Tulare County point to the SJV region expanding production in the future. I hosted growers at my ranch in December as part of a well attended "Avocados in the SJV" meeting organized by Dr Arpaia.

I'm a strong believer in being able to offer consumers different varieties of California avocados year round. I believe this is one way that California growers can compete successfully with imported fruit. The CAC can be instrumental in helping to develop demand for California fruit year round and promoting additional varieties.

My interest in serving on the board is to serve the interests of the California avocado industry, especially growers. While focused on the big picture, the interests of District 5 growers would be a priority.

40 years experience in Agricultural and Environmental Research, Policy &
Technical Support
BS Agriculture from Chico State



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 2,000 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) 4, 2.

I pack my fruit with the following handlers: Del Rey; Guzman; 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 own avocado farms in Brazil

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: James Johnson

SIGNATURE: [Signature] DATE: 3/2/23



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME:

James Johnson

GROVE CITY/CITIES:

Santa Barbara, Ventura, Riverside

CAC BOARD SEAT PREFERRED:

☐

MEMBER

☒

ALTERNATE

☐

NO PREFERENCE

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 am a fourth generation California Farmer. Through the company I founded, Superior, I currently own 2,000 Acres of Avocados throughout the state. I believe deeply in the strength of the California Avocado Industry and I want to help keep California Avocados as the most valuable in the world.

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:

[Signature]

DATE:

3/2/23

PRODUCER AFFIDAVIT OF ELIGIBILITY

I hereby declare my eligibility to serve as a Producer Alternate Member on the California Avocado Commission Board of Directors in District 5. By my signature below I declare under penalty of perjury that I meet the qualifications for nomination outlined above.

Name (print) Lauree Luscher Signature Lauree Luscher

Address

Telephone Number(s)

FAX Number

E-Mail Address

MUST ARRIVE AT CAC ON OR BEFORE FEBRUARY 17, 2023 VIA MAIL, FAX OR EMAIL
12 Mauchly, Suite L, Irvine, CA 92618-6305
FAX: (949) 208-3503 EMAIL IAF@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 _____ 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 77 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 PRODUCE; _____; _____; _____.


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: 2/06/23



PRODUCER CANDIDATE STATEMENT

(Please Print or Type All Information)

NAME: Byron Talley

GROVE CITY/CITIES: Arroyo Grande

CAC BOARD SEAT PREFERRED:

☐

MEMBER

☒

ALTERNATE

☐

NO PREFERENCE

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 HAVE BEEN MANAGING TALLEY FARMS' AVOCADO ORCHARDS FOR THE
LAST 3 YEARS.

PRODUCER ALTERNATE FOR THE HASS AVOCADO BOARD.

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: 2/06/23



BOARD ACTION

ITEM 5.b: CONSIDER PUBLIC MEMBER SELECTION PROCESS

SUMMARY:

In November, following CAC's submission of public member recommendations to the California Department of Food and Agriculture, the CDFA provided the following response:

"The California Department of Food and Agriculture (Department) is returning the nominees recommended by the Commission at their board meeting held on October 20, 2022. Sections 67051, (67052.5.(a)) of the Commission's Law state there shall be one public member (alternate public member) who shall be appointed by the secretary from nominees recommended by the commission.

The Department has received concerns about whether the nominees would suitably represent the public, and be fully independent participants in board decisions. Also, serious claims of bias were raised at the recent board meeting. The Department is cautious to act without further examination into the concerns and claims that have been raised.

We also consider that this process did not allow adequate time for the board's evaluation and decision. We suggest the board review the methods the staff uses in recruitment, candidate presentation and documentation requirements, and when to request actions from the board.

Therefore, we urge the Commission to reevaluate their process, and present recommendations to us at a future date."

In response to CDFA's feedback, CAC management notified the Board that staff would work on developing an improved process to address CDFA's concerns and would report back to the board. The attached "Public Member Selection Process" has been developed by management with guidance from Kahn, Soares and Conway, CAC's legal counsel. It was reviewed by the Executive Committee in January and their recommended edits have been incorporated and submitted to the Board here for approval.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Approve the selection process as presented
- Amend the selection process
- Take no action

STAFF RECOMMENDATION:

- Staff recommends the Board discuss the public member selection process as presented and finalize any edits necessary

EXHIBITS / ATTACHMENTS:

- Draft Public Member Selection Process



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.



BOARD ACTION

ITEM 6.b: **CONSIDER RENEWAL OF LINE OF CREDIT**

SUMMARY:

Management prepares cash flow and ending reserves projections for each fiscal year based on CAC's historical cash flow pattern and several assumptions including volume and price per pound. Upon review of the 2021-22 reserves balance and the updated cash flow projection for 2022-23, management is not anticipating a need for the line of credit to be utilized during the 2022-23 fiscal year. However, to act prudently and be prepared for a worst-case situation (e.g. catastrophic crop failure), management recommends the renewal of CAC's line of credit in the amount \$3,000,000 (the same amount as in previous years).

Due to staffing changes at Bank of the West, at the time of this writing CAC management was unable to get the terms of line of credit renewal, however the existing terms are listed below:

- \$3,000,000 line of credit
- Interest rate is Prime Rate plus 0.5% with a floor of 4%
- No fees
- Maturity extended to May 31, 2023 (originally 2/28/23 but a 90-day extension was granted)

Because the next CAC Board meeting is not scheduled to take place until June, at this time CAC management is seeking approval from the Board to secure a line of credit in the amount of \$3,000,000 with final terms of the credit line approved by either the Finance or Executive Committee. This approval would be with the understanding that if Bank of the West does not offer favorable terms, CAC management and the designated Committee are authorized to seek out a lender with the most favorable terms.

FISCAL ANALYSIS:

- Not applicable

BOARD OPTIONS:

- Authorize CAC management and designated Committee to secure a \$3,000,000 line of credit with a lender offering the most favorable terms
- Take no action, thereby letting CAC's current line of credit to expire May 31, 2023

STAFF RECOMMENDATION:

- Management recommends that the Board Authorize CAC management and designated Committee to secure a \$3,000,000 line of credit with a lender offering the most favorable terms

EXHIBITS / ATTACHMENTS:

- None



BOARD INFORMATION

ITEM 6.c: PINE TREE RANCH LEASE RENEWAL

SUMMARY:

On January 26, CAC Staff met with Cal Poly Pomona (CPP) representatives to discuss the renewal of the lease for Pine Tree Ranch, which is currently set to expire June 30, 2023. There were three key issues CAC wished to discuss with CPP: monthly rental rate, the installation of a variable frequency drive on the well for the property, and the involvement of CPP students in CAC projects.

Regarding the rental rate for Pine Tree Ranch, CAC's original lease started at a monthly rate of \$1,450 and increased approximately 3.5% annually to the current rate of \$1,976. Prior to meeting with CPP, CAC staff had discussed the rental rate with several area grove managers and owners and found general agreement that the lease rate was appropriate for the area. Thus, CAC staff told CPP that it was CAC's desire for the lease rate to remain at the current rate with an annual increase of 3.5%. CPP representatives agreed with this sentiment but indicated that the Cal Poly Pomona Foundation would require a current market assessment be conducted to determine if the current rental rate was appropriate.

The second issue CAC staff raised with CPP representatives was with respect to the installation of a variable frequency drive (VFD) on the primary well used for irrigation on the property. Two wells exist on the property, a smaller well on the portion of the property that CAC leases and a larger well on the CPP portion of the property. The original intention was for CAC to use the smaller well to irrigate our portion of the property. However, the quality of the water from this well is extremely poor and proved toxic to CAC's trees. Thus, since shortly after beginning the original lease in 2013, CAC has been sharing the larger well with CPP. This well has too much flow to irrigate CAC's portion of the ranch without either dumping excess water or also irrigating a portion of the CPP part of the ranch. A VFD would allow the well pump to be throttled and CAC to irrigate independent of the rest of the ranch. CPP representatives agreed that dumping water looks bad for the University and CAC and could lead to fines from the water district to the University. CPP representatives indicated that it had been quite some time since any capital investment had been made by the Foundation and they felt this would be a non-issue to get Foundation funding to pay for this upgrade.

The last issue CAC staff wished to discuss with CPP was a clause in the original lease to "support the mission of the University in its use of the Site, including... utilizing University students for internships and other opportunities to support the hands-on learning approach... or support the Foundation's efforts to renovate the residence at Pine Tree Ranch." To Staff's surprise, this clause was brought up by CPP prior to our doing so. CPP

acknowledged that the residence at Pine Tree Ranch may never be completed, and CAC urged the removal of that item from the lease clause. However, we agreed that CAC is still supportive of working with CPP to utilize students in any way possible going forward and we would agree to cooperate with CPP to have students participate in research projects or have students utilize trees on CAC's portion of the ranch for master's degree research if such opportunities were in our mutual interest.

The meeting concluded with the understanding that CPP representatives would conduct their market assessment regarding the rent rate and attempt to secure funds for the VFD. CAC staff are still waiting for an update from CPP.

FISCAL ANALYSIS:

- The currently approved 2022-23 CAC Budget includes expenses for Pine Tree Ranch only through June 30, 2023. Once lease terms are finalized, CAC management will bring forward a budget amendment for the remainder of the 2022-23 fiscal year for Board approval.

BOARD OPTIONS:

- Discussion item only

STAFF RECOMMENDATION:

- Information item only

EXHIBITS / ATTACHMENTS:

- None



BOARD ACTION

ITEM 10: 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. In January 2022, the Hass Avocado Board announced that applications for the second Board Leadership Development (BOLD) program were being accepted.

For the inaugural 2021 BOLD Class, the CAC Board had approved participation in and sponsorship of California applicants, with the caveat that they be an existing CAC Board member or alternate. After HAB received applications for the 2021 program, it was determined that two individuals met CAC's requirements and the Board approved sponsorship of Rachael Laenen and Connor Huser. Similarly, in 2022 CAC approved the sponsorship of District 3 Board Alternate Maureen Cottingham, having met requirements approved by the Board in 2021.

CAC management has been advised that while HAB received three California producer applicants during their call for 2023 BOLD participants, none of the applicants meet the criteria of being a CAC Board Member or Alternate. HAB has asked if the CAC is interested in supporting any of the California producers as 2023 BOLD participants, therefore CAC management is providing the applications submitted by the HAB BOLD applicants for CAC Board consideration.

FISCAL ANALYSIS:

- The annual cost per participant is estimated to be up to \$9,000. The approved 2022-23 CAC Budget has \$18,000 allocated to cover the sponsorship of up to two 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:

- Nathan Lurie HAB BOLD Application
- Michael Craviotto HAB BOLD Application
- Casey Stoops HAB BOLD Application

HAB BOLD APPLICANT - NATHAN LURIE

From: [HAB](#)

Subject: New BOLD Application submission

Date: Monday, January 16, 2023 8:43:42 AM

Name:

Nathan Lurie

Email Address:

Cell Phone:

Address:

High school name, city and state:

Nordhoff High School, Ojai, California

Year graduated:

2005

College or vocational school name, city and state:

California State Polytechnic University, San Luis Obispo

Graduate:

Yes

Years attended:

2005

Years attended:

2010

Highest degree / major attained:

B.S. Soil Science

Please check the box that applies to you:

- ☒ I am a producer of Hass Avocados.

Current employer:

Brokaw Ranch Company

Length of employment:

6

HAB BOLD APPLICANT - NATHAN LURIE

Length of employment:

4

Employer Address:

3594 Ojai Rd
Santa Paula, CA 93060
United States
[Map It](#)

Position/Title (list if more than one):

- Operations Manager

Job Responsibilities:

Management of field staff and activities related to irrigation/fertilization, harvest, pruning, and all cultural practices associated. Health and Food Safety Manager. Marketing and Sales.

Current supervisor's name:

Debbie Jackson

Current supervisor's email address:

Previous employer:

Eco & Associates, Inc

Length of employment:

2

Length of employment:

11

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 am the current president of the California Avocado Society, a grower focused organization providing a weekly publication, monthly magazine, and quarterly seminars for growers/industry members hoping to improve their knowledge and operations. I volunteered with the organization to expand my knowledge and social connections within the avocado industry.

My wife is a board member at the Santa Paula Arts Museum, so we attend and are involved with many arts/cultural events within our community of Santa Paula and Ventura County. This is my wife's career, but for me it is a fun and exciting way to interact with my community and enjoy the (often agricultural and

HAB BOLD APPLICANT - NATHAN LURIE

California based) art.

Expression of interest:

Every year I gain more knowledge and responsibilities at work and in personal life but have never had any formal training or mentorship around leadership and management. I want to improve myself, continue to learn, and become even more engrained in the avocado industry in California (and beyond). I am not sure I have the time, but now may be the best opportunity before (if and when) my wife and I decide to have children and before the preceding ranch manager totally retires, leaving me solely responsible.

Career Goals:

I am very happy in my career, but the goal is to continually improve, not stagnate. Not only is this improving our ranch and crop production, efficiency and technology, but also the relationships among my workforce and the livelihood and advancement of their families. In that, my career goals are to be financially comfortable (for myself and family), improve crop production while also being a good steward of the land and conserving natural resources, and to have a well-regarded, well-trained, enthusiastic and proud workforce. I think the perfect career allows personal time for family, hobbies, and fun. If life isn't fun and you aren't smiling, what's the point?

HAB BOLD APPLICANT - MICHAEL CRAVIOTTO

From: [HAB](#)

Subject: New BOLD Application submission

Date: Wednesday, January 25, 2023 9:00:36 AM

Name:

Michael Craviotto

Email Address:

Cell Phone:

Address:

High school name, city and state:

Santa Ynez Valley Union High School

Year graduated:

2007

College or vocational school name, city and state:

Whitworth University, Spokane WA

Graduate:

Yes

Years attended:

2007

Years attended:

2011

Highest degree / major attained:

Master of Business Administration - Finance

Please check the box that applies to you:

- ☒ I am a producer of Hass Avocados.

Current employer:

GFO, LLC

Length of employment:

3

HAB BOLD APPLICANT - MICHAEL CRAVIOTTO

Length of employment:

3

Employer Address:

530 Los Angeles Ave
Moorpark, CA 93021
United States
[Map It](#)

Position/Title (list if more than one):

- Operations Manager

Job Responsibilities:

End-to-end management of five companies across 220 acres of farming operations in avocados (200 acres), mandarins (10 acres), and lemons (10 acres). Job includes: forecasting and tracking production schedules and goals, fertilizer and pest control planning and implementation, regulatory compliance (GAP, FSA, EPA), payroll and account reconciliation, 401k plan sponsorship, \$MM budget management, grant writing and execution, and employee engagement.

Current supervisor's name:

Lori Craviotto

Current supervisor's email address:

Previous employer:

Rantec Power Systems

Length of employment:

1

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:

- Fuller Falls Mutual Water Company, Fox Canyon Groundwater Management Association

Organizational & community involvement:

I currently serve as the president of my local water company (Fuller Falls Mutual Water Company) and as an alternate director for the local groundwater management agency (FCGMA) in Ventura County. There are many reasons why I volunteer; chiefly, because the organizations I volunteer with provide valuable opportunities to work on a wide range of complex problems that are generally outside my normal scope of work, it leads to personal and career growth, and provides me with the satisfaction that I am

HAB BOLD APPLICANT - MICHAEL CRAVIOTTO

contributing to the betterment of my community. The last two years I have focussed my volunteering efforts on the water problem because it is one of the most pressing challenges affecting the agriculture community and poses a very real existential threat to the California avocado industry.

Expression of interest:

I believe I should be selected as a participant to the program because I am committed to using the skills and knowledge learned to advocate for the Hass avocado industry and community. As a grower managing 200 acres of avocados, I understand the business life-cycle as well as the many challenges facing the grower. As a recent MBA graduate, I believe I can further the cohort's general discussion around topics involving marketing, economics, and finance. And lastly, as a current board member serving on two boards, I can provide my experience of difficult board-level decision-making. I am very interested in this opportunity because I want to better understand the structure and flow of the global avocado industry, would like to hone my knowledge and skills as a board member, and would like to meet other industry leaders in the avocado market.

Career Goals:

In the short run, my goal is to take a product to market in order to elevate my current business from price-taker to price-maker. There is much about this process that I do not currently understand, which will require that I evolve from manager to leader. Generally, my long-run goal is to be a leader and advocate for my community. I believe that means striving to take on positions of increasing responsibility and visibility. This in turn will lead to greater opportunities where I can play an active role in shaping the public policy for my community.

HAB BOLD APPLICANT - CASEY STOOPS

From: [HAB](#)

Subject: New BOLD Application submission

Date: Wednesday, January 25, 2023 2:03:25 PM

Name:

Casey Stoops

Email Address:

Cell Phone:

Work Phone:

Home Phone:

Contact me by text

- Check here if we can contact you by text

Address:

High school name, city and state:

Dunn School

Year graduated:

1993

College or vocational school name, city and state:

University of Colorado, Boulder, CO

Graduate:

Yes

Years attended:

1996

Years attended:

1998

Highest degree / major attained:

Masters in Business - Focus in Financial Planning

HAB BOLD APPLICANT - CASEY STOOPS

Please check the box that applies to you:

- ☐ I am a producer of Hass Avocados.

Current employer:

Patagonia

Length of employment:

12

Length of employment:

3

Employer Address:

259 W. Santa Clara Street
Ventura, CA 93001
United States
[Map It](#)

Position/Title (list if more than one):

- ☐ Head of Global Information Security & Core Technology

Job Responsibilities:

I am responsible for Patagonia's global cyber security framework across all countries we have operations in. Additionally my team supports the core technology infrastructure (computers, networks, phones, software) for the global employee population (over 3000 employees world wide).

Current supervisor's name:

Jonathan Chong

Current supervisor's email address:

Previous employer:

Ingram Micro

Length of employment:

3

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:

HAB BOLD APPLICANT - CASEY STOOPS

OVLC, GRiT (Girls Re-imagining Tomorrow)

Organizational & community involvement:

I am passionate about the outdoors, nature and technology and have worked to integrate these passions in to my work and personal life. My team has worked numerous times with OVLC doing land and trail restoration inside of the Ventura River Preserve and Matilija Canyon areas, building trails, planting trees and cleaning trash and invasive species from the areas under management. For the past 2 years I have spearheaded a community outreach program partnering with Cisco and our partner ePlus to develop a local chapter of the national GRiT program founded by ePlus. We are in our second year working with De Anza Technology Academy and have a class of 15 7/8th grade girls that we are teaching about opportunities in the technology industry and pathways to capitalize on those. The outreach work has been some of the most personally rewarding work I have done as it has a direct impact on people in my local community.

Expression of interest:

While I work full time in a technology focused career, my family has been growing avocados in the area since the 90s. In 2017 we purchased a new piece of property, with the plan of turning it in to a modern avocado operation, complete with automation and sensor technology. 4 years in to the new operation and we are generally exceeding expectations on tree growth and production as a result. I'm passionate about the intersection of technology and modern agriculture, and have proven this is an effective strategy at our new farm. Integrating sensor technology, modern irrigation technology and science from the UC system, I have built a methodology for high efficiency. This has in turn driven my passion to share this with other local Carpinteria growers I am in contact with, as well as others I have been introduced to through Coast Water Solutions in Oxnard, CA. I'm also a huge avocado fan of course, experimenting with new varieties and old alike, as well as continually looking for ways to make us more efficient (irrigation and fertilizer inputs continue to rise in cost, making this a necessity for all farmers regardless of crop).

Career Goals:

My professional career goals currently are to stay w/in the technology space, where my skillset has the most impact. My interest in the HAB is to be able to contribute to the overall Avocado industry here in CA, through my skillset outside of the traditional grower space. Technology and agriculture continue to become stronger partners, with major growth in this area of industry in the past decade, which I believe will continue for some time. Farming in general is ripe for opportunity to apply technology to increase efficiency, not just on large field operations, but also in tree farming. As I look more towards the end of my professional career in technology in the coming 10-15 years, my long term passion and where I will be spending my time will be Avocado farming.