

**CALIFORNIA AVOCADO COMMISSION  
FINANCE COMMITTEE MINUTES  
July 30, 2024**

A meeting of the Finance Committee of the California Avocado Commission (CAC) was held on Tuesday, July 30, 2024 at 9:00 a.m. with the following people present:

**Members Present**

Maureen Cottingham, Chair  
Will Carleton  
Jamie Shafer  
Jason Cole, *Ex-officio*

**Staff Present**

April Aymami  
Ken Melban  
Terry Splane

**Members Absent**

Andrew Prechtl

**Guests Present**

John Berns  
Laura Bertagnolli, *Signature Analytics*  
Vickie Carpenter, *USDA*  
Daryn Miller

**Item #1 Call to Order**

**Roll Call/Quorum – Item 1.a.**

Maureen Cottingham, Finance Committee chair, called the meeting to order at 9:02 a.m. with a quorum present.

**Introductions – Item 1.b.**

April Aymami, CAC director of industry affairs and operations, announced the US Department of Agriculture (USDA) representative, CAC staff, presenting agencies 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**

There was no public comment.

**Item #3 Consent Calendar**

**Consider approval of Finance Committee meeting minutes of May 15, 2024 – Item 3.a.**

The Committee reviewed the minutes from the May 15, 2024 meeting and the following motion was offered:

**Motion:**

***The Finance Committee approves the May 15, 2024 Finance Committee Meeting Minutes as presented.***

***(Shafer/Carleton) MSC Unanimous***

**MOTION 24-7-30-1**

The May 15, 2024 Meeting Minutes are included in the July 2024 Finance Committee Packet and are attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 3.a.

**Item #4 Discussion and Possible Action Items**

**2023-24 Financial Updates – Item 4.a.**

Ms. Cottingham provided an update on CAC's current financial position, noting that year-to-date revenue exceeded budget by \$2.8 million as a result of larger crop volume at higher than budgeted pricing. On the expense side, spending was tracking over a million dollars under budget, with a large portion of that contributed to delayed timing of the marketing spend.

There was a question regarding independent contractors and whether they bill CAC a fixed fee or hourly, to which it was reported that it varies by contractor, with each having their own terms within their contract. It was noted that regardless of the type of billing, contractors are asked to provide a summary of work performed to support invoicing.

The 2023-24 Financial Updates – April through June 2024 are included in the July 2024 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.a.

Cash Disbursements Audit – Item 4.b.

The Committee reviewed the cash disbursement listings for the months of March through June 2024. There were no questions or comments from the Committee.

The Cash Disbursement Audit, March through June 2024 is included in the May 2024 Finance Committee Packet and identified as EXHIBIT A, Item 4.b.

Review of 2023-24 Contracts over \$25,000 – Item 4.c.

The Committee reviewed CAC agreements over \$25,000 entered into during the 2023-24 fiscal year. CAC management reported that the list contained more contracts than in previous years because previous lists only included independent contractor agreements and not all legally binding agreements. The current list includes all legally binding agreements, including promotional agreements, for commitments in excess of \$25,000.

The Listing of 2023-24 Contracts over \$25,000 is included in the July 2024 Finance Committee Packet and identified as EXHIBIT A, Item 4.c.

2023-24 Cash Flow Forecast – Item 4.d.

Laura Bertagnolli of Signature Analytics, CAC's outsourced accounting firm, presented CAC's 2023-24 Cash Flow Forecast. It was noted that this forecast would be important in managing CAC's cash flow needs when cash reserve levels were at a more normal level, \$5 million or less.

The 2023-24 Cash Flow Forecast is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

2024-25 Assessment Rate Discussion and Evaluation – Item 4.e.

Jason Cole, CAC chairman, provided an update to the Committee regarding the Board's discussion to move to a flat assessment rate, as well as requests he's heard to rebate excess CAC reserves back to growers. While rebating reserves would be difficult to execute, Mr. Cole noted that CAC could be responsive to this request by reducing the CAC assessment for the coming year to zero. Ken Melban, CAC vice president of industry affairs and operations, reported that CAC was projecting ending reserves to be over \$12 million, double the initial budget projections.

The Committee discussed crop size and the recent difficulty in getting an accurate estimate from handlers. Mr. Cole noted that CAC would be actively engaging growers earlier in the season, as well as the handlers, to get a better crop estimate prior to the start of the season. Additional discussion supported a starting crop size, for budgeting purposes, of 400 million pounds.

Regarding the assessment rate, there was support for a flat rate, however there was concern in moving to a zero assessment rate for the 2024-25 fiscal year. The consensus of the Committee was that the Board should discuss further at their August meeting and then those discussions should be clearly reported to growers upcoming district meetings in September.

**ADJOURN**

Ms. Cottingham adjourned the meeting at 10:25 a.m.

Respectfully submitted,

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April Aymami, Director of Industry Affairs and Operations

**EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES**

- Exhibit A July 2024 Finance Committee Packet
- Exhibit B 2023-24 Cash Flow Forecast
- Exhibit C July 30, 2024 Finance Committee Meeting AB 2720 Roll Call Vote Tally Summary



**EXHIBIT C**

**CALIFORNIA AVOCADO COMMISSION**  
**AB 2720 Roll Call Vote Tally Summary**

*To be attached to the Meeting Minutes*

<b>Meeting Name:</b> <i>Finance Committee Meeting</i>	<b>Meeting Location:</b> <i>Hybrid Meeting In-person (Oxnard) Online (Zoom)</i>	<b>Meeting Date:</b> <i>July 30, 2024</i>
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<b><i>Attendees Who Voted</i></b>	<b><i><u>MOTION</u> 24-7-30-1</i></b>
Maureen Cottingham	Did Not Vote
Will Carleton	Yea
Jamie Shafer	Yea
<b><i>Outcome</i></b>	<b>Unanimous</b>