

**CALIFORNIA AVOCADO COMMISSION
FINANCE COMMITTEE MINUTES
May 6, 2025**

A meeting of the Finance Committee of the California Avocado Commission (CAC) was held on May 6, 2025 at 1:00 p.m. with the following people present:

Members Present

Maureen Cottingham, Chair
John Haskett
Jamie Shafer
Jason Cole, *Ex-officio*

Staff Present

April Aymami
Ken Melban
Terry Splane

Members Absent

Al Stehly

Officially Present

Vickie Carpenter, *USDA*

Guests Present

John Berns
Rachael Laenen

Item #1 Call to Order

Roll Call/Quorum – Item 1.a.

Maureen Cottingham, Finance Committee chair, called the meeting to order at 1:05 p.m. with a quorum present.

Introductions – Item 1.b.

April Aymami, CAC director of industry affairs and operations, introduced the US Department of Agriculture (USDA) representative, CAC staff 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 July 30, 2024 – Item 3.a

Consider approval of Finance Committee meeting minutes of February 18, 2025 – Item 3.b

Ms. Cottingham asked for a motion to approve the Consent Calendar.

Motion:

The Finance Committee approves the Consent Calendar as presented.

(Haskett/Shafer) MSC Unanimous

MOTION 25-5-6-1

The Consent Calendar is included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 3.a and Item 3.b.

Item #4 Discussion Items

Ms. Cottingham stated that included in the Finance Committee packet were a number of governance documents related to Commission accounting processes and procedures and the responsibilities of the Finance Committee, which would be reviewed in detail for the benefit of the new committee members.

Review of CAC Finance Committee Roles and Responsibilities – Item 4.a.

There were no questions or discussion regarding the Finance Committee roles and responsibilities as written in CAC Bylaws.

The CAC Finance Committee Roles and Responsibilities are included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.a.

Review of CAC Internal Control Policy – Item 4.b.

The Committee reviewed the existing CAC Internal Control Policy and consensus was that the policy covered the areas necessary for financial oversight and was broad enough to allow CAC staff to develop and manage accounting procedures that address the areas identified in the overarching policy. A committee member noted that as part of the annual audit, CAC's auditors should be reviewing these policies and providing recommendations if updates are warranted based on current regulation.

Ms. Aymami commented that CAC's policies and procedures had been thoroughly reviewed by Moss Adams in 2022, independent of the annual audit, and their recommendations had been implemented at that time. She suggested this type of review could be done on a more regular basis, possibly every five years.

The CAC Internal Control Policy is included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.b.

Review of CAC Investment Policy, including CDFA and USDA Requirements – Item 4.c.

Ms. Aymami provided an overview of CAC's two different funding sources and requirements imposed on investing. She noted that CAC's prior management had taken a position that investments outside of standard money market accounts were not allowed, however current management had worked with USDA who informed CAC that investments were allowed, within certain limitations and requirements. Ms. Aymami stated that Western Alliance Bank, CAC's new financial institution, was working within these requirements to maximize the interest earning potential on CAC's reserves.

Ken Melban, CAC vice president of industry affairs and operations, informed the Committee that Tarun Harit, who had served as CAC's financial contact with the USDA financial contact, had retired.

The CAC Investment Policy, including CDFA and USDA Requirements are included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.c.

Review of Monthly Financial Reports – Item 4.d.

Ms. Cottingham reviewed the standard monthly financial reports with the Committee and asked if there were any questions or recommended edits to what was included or the format of the information. The Committee requested that management add a report for year-to-date versus prior year comparison, and also to include quarterly summary reports.

The CAC Monthly Financial Reports are included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.d.

2024-25 Financial Updates – Item 4.e.

Ms. Cottingham asked for questions regarding the financials provided in the Committee packet, which covered year-to-date activity through February 28, 2025. Ms. Aymami noted that while the marketing department was currently showing significant year-to-date unspent funds, that could be a result of timing of promotions and not actual funds that will remain unspent at year-end.

The 2024-25 Financial Updates – Period Ending February 2025 are included in the May 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 4.e.

Cash Disbursements Audit – Item 4.f.

The Committee reviewed the cash disbursement listings for the months of January through February 2025. There was one question regarding the vendor Optum Bank, which management explained is the administrator the CAC employee health savings accounts (HSA). There were no additional questions or comments from the Committee.

The Cash Disbursement Audit, January through February 2025 is included in the May 2025 Finance Committee Packet and identified as EXHIBIT A, Item 4.f.

Item #5 Action Items

Consider Approval of Budget Amendment #2 – Item 5.a.

Ms. Cottingham reported that Budget Amendment #2 was being brought before the Finance Committee for approval and included an update to the beginning cash reserve balance to match the audited financial statements, as well as an increase in grant revenue to match the actual amount awarded. She noted that the increase in expenses was for two new pest and disease research projects, which had already been approved by the CAC Board.

Motion:

The Finance Committee approves Budget Amendment #2 as presented.

(Haskett/Shafer) MSC Unanimous

MOTION 25-5-6-2

The CAC Budget Amendment #2 is included in the May 2025 Finance Committee Packet and identified as EXHIBIT A, Item 5.a.

Review of Corporate Insurance – Item 5.b.

Ms. Cottingham stated that the Board delegates the review of CAC's corporate insurance to the Finance Committee, which is conducted annually. She noted that included in the packet was the current schedule of insurance and associated premiums and asked the Committee for any questions or comments. The Committee asked management to follow up with the insurance broker regarding the premium decrease for one of the policy, but had no additional comments, with consensus the current insurance schedule was adequate should be maintained.

Motion:

The Finance Committee recommends maintaining the current schedule of insurance as presented.

(Haskett/Shafer) MSC Unanimous

MOTION 25-5-6-3

The CAC Schedule of Insurance is included in the May 2025 Finance Committee Packet and identified as EXHIBIT A, Item 5.b.

Schedule Next Meetings – Item 5.c.

The Committee discussed dates for future meetings, with consensus of July 22, 2025 and September 30, 2025, both at 2:00 – 4:00 p.m. Ms. Aymami said she would confirm these dates with the absent Committee member and send meeting invites.

ADJOURN

Ms. Cottingham adjourned the meeting at 1:56 p.m.

Respectfully submitted,

April Aymami, Director of Industry Affairs and Operations

EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES

- Exhibit A May 2025 Finance Committee Packet
 Exhibit B May 6, 2025 Finance Committee Meeting AB 2720 Roll Call Vote Tally Summary



EXHIBIT B

CALIFORNIA AVOCADO COMMISSION

AB 2720 Roll Call Vote Tally Summary

To be attached to the Meeting Minutes

Meeting Name: <i>Finance Committee Meeting</i>	Meeting Location: <i>Hybrid Meeting In-person (Oxnard) Online (Zoom)</i>	Meeting Date: <i>May 6, 2025</i>
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<i>Attendees Who Voted</i>	<i><u>MOTION</u></i> <i><u>25-5-6-1</u></i>	<i><u>MOTION</u></i> <i><u>25-5-6-2</u></i>	<i><u>MOTION</u></i> <i><u>25-5-6-3</u></i>
Maureen Cottingham	Did Not Vote	Did Not Vote	Did Not Vote
John Haskett	Yea	Yea	Yea
Jamie Shafer	Yea	Yea	Yea
<i>Outcome</i>	Unanimous	Unanimous	Unanimous