

**CALIFORNIA AVOCADO COMMISSION
FINANCE COMMITTEE MINUTES
February 18, 2025**

A meeting of the Finance Committee of the California Avocado Commission (CAC) was held on February 18, 2025 at 8:30 a.m. with the following people present:

Members Present

Maureen Cottingham, Chair
John Haskett
Al Stehly
Jason Cole, *Ex-officio*

Members Absent

Jamie Shafer

Staff Present

April Aymami
Ken Melban
Terry Splane

Officially Present

Janelle Andrade-Chiaverini, *Western Alliance Bank*
James Cannariato, *Western Alliance Bank*
Vickie Carpenter, *USDA*
Lauren Mariscal, *Western Alliance Bank*
Leo Munoz, *Western Alliance Bank*
Ruben Munoz, *Western Alliance Bank*
Jesus Ortega, *Western Alliance Bank*
Matt Parsons, *Moss Adams*
Dani Springfels, *Moss Adams*
Jennifer Wong, *Western Alliance Bank*

Guests Present

None

Item #1 Call to Order

Roll Call/Quorum – Item 1.a.

Maureen Cottingham, Finance Committee chair, called the meeting to order at 8:33 a.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, 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 October 9, 2024 – Item 3.a.

Ms. Cottingham asked for a motion to approve the October meeting minutes.

Motion:

The Finance Committee approves the October 9, 2024 Finance Committee Meeting Minutes as presented.

(Stehly/Haskett) MSC Unanimous

MOTION 25-2-18-1

The October 9, 2024 Meeting Minutes are included in the February 2025 Finance Committee Packet and are attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 3.a.

Item #4 Consider recommendation to Board for acceptance of 2023-24 audited financial statements

Ms. Cottingham introduced Matt Parsons with Moss Adams who presented the auditors' report to the Committee of the recently concluded annual audit of CAC's financial statements. Mr. Parsons indicated that there had been no changes in the reporting of the financial statements for 2023-24, however Moss Adams would be working with CAC staff to incorporate required

Finance Committee Meeting Minutes
February 18, 2025
Page 2

changes in the reporting of compensated absences in 2024-25. He noted that Moss Adams reported no findings and had issued a clean, unmodified opinion.

Motion:

The Finance Committee accepts the audited financial statements as presented and recommends approval to the CAC Board of Directors.

(Stehly/Haskett) MSC Unanimous

MOTION 25-2-18-2

The Moss Adams Report on CAC Audited Financials Presentation is included in the February 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

Item #5 Consider approval of staff recommendation on new banking partner

Ken Melban, CAC vice president of industry affairs and operations, provided an overview of CAC's current banking situation with BMO Bank, which had acquired Bank of the West in September 2023. He reported that after providing BMO a year to transition CAC's account and address concerns CAC had raised, the level of support and services being provided to CAC were not sufficient, resulting in staff's search for a new banking partner. Ms. Aymami detailed the process staff had engaged in during this search, including multiple banks of varying sizes, with the final recommendation to the Committee of Western Alliance Bank.

Representatives from Western Alliance Bank introduced each member of the team that would be assigned to CAC and presented a detailed proposal of the services that had been offered to CAC, associated costs and potential interest that could be earned.

There was discussion among the Committee regarding CAC's investment options and further explanation that actual interest earned would fluctuate based on cash flow and current interest rates. Western Alliance Bank confirmed that while CAC has uncharacteristically high reserves now, even in a more normal year with \$5 million dollars in reserves, CAC could expect to receive the same level of services being proposed at this time.

Ms. Cottingham stated that the CAC Board had delegated the authority to select a new banking partner for the Commission and asked the Committee if they would like to approve staff's recommendation or continue the search.

Motion:

The Finance Committee approves CAC staff's recommendation to select Western Alliance Bank as the Commission's new banking partner.

(Stehly/Haskett) MSC Unanimous

MOTION 25-2-18-3

The Staff Recommendation on New Banking Partner Write-up is included in the February 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 5.

Ms. Aymami advised the Committee that she would distribute USDA and CDFA guidelines on CAC's financial investments, as well as details on the Intra-fi network proposed by Western Alliance Bank.

Item #6 Discussion Items

Update on transition of accounting functions back to in-house CAC staff – Item 6.a.

Mr. Melban reported that effective November 1, 2024, CAC had transitioned all accounting functions from Signature Analytics, back to in-house CAC staff. He provided an overview of the

Finance Committee Meeting Minutes

February 18, 2025

Page 3

changes within the accounting department beginning in August 2022 with the abrupt departure of CAC's prior Vice President of Finance and Administration, to transitioning from in-house staff to an outsourced accounting firm, now back to utilizing in house staff for the day-to-day accounting functions. Mr. Melban stated that Ms. Aymami was lead on the accounting functions, including month-end close processes, with Cristina Wede, CAC office manager, taking on the accounts payable and receivable functions.

There was Committee discussion regarding CAC's internal control processes, and whether a review was necessary. Ms. Aymami indicated that upon the departure of the previous Vice President, CAC had worked with Moss Adams to conduct a complete review of CAC's internal controls and changes had been made at that time. She noted that she would send CAC's internal control policies and procedures, as well as examples of monthly journal entries to the Committee.

2024-25 Financial Updates – Item 6.b.

Ms. Cottingham asked for questions regarding the financial report provided in the Committee packet, which covered year-to-date activity through December 31, 2024. There was a request from a Committee member to receive financial packets a week prior to future Committee meetings.

The 2024-25 Financial Updates – Period Ending December 31, 2024 are included in the February 2025 Finance Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 6.b.

Cash Disbursements Audit – Item 6.c.

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

The Cash Disbursement Audit, September through December 2024 is included in the October 2024 Finance Committee Packet and identified as EXHIBIT A, Item 6.c.

ADJOURN

Ms. Cottingham adjourned the meeting at 9:58 a.m.

Respectfully submitted,

DocuSigned by:

April Aymami

April Aymami, Director of Industry Affairs and Operations

EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES

Exhibit A	February 2025 Finance Committee Packet
Exhibit B	Moss Adams Report on CAC Audited Financials Presentation
Exhibit C	February 18, 2025 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

Meeting Name: <i>Finance Committee Meeting</i>	Meeting Location: <i>Hybrid Meeting In-person (Ventura) Online (Zoom)</i>	Meeting Date: <i>February 18, 2025</i>
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<i>Attendees Who Voted</i>	<i><u>MOTION</u></i> <i><u>25-2-18-1</u></i>	<i><u>MOTION</u></i> <i><u>25-2-18-2</u></i>	<i><u>MOTION</u></i> <i><u>25-2-18-3</u></i>
Maureen Cottingham	Yea	Did Not Vote	Yea
John Haskett	Yea	Yea	Yea
Al Stehly	Yea	Yea	Yea
<i>Outcome</i>	Unanimous	Unanimous	Unanimous