

Citrus Administrative Committee Meeting

August 9, 2022

Zoom Meeting

PARTICIPATION:

GROWERS					
Affiliation	Member / Alternate	Fname	Lname	Yes	No
Independent	<i>Member</i>	Cody	Estes	√	
	<i>Alternate</i>	Rusty	Banack		√
Independent	<i>Member</i>	Tom	Hammond		√
	<i>Alternate</i>	Greg	Nelson		√
Independent	<i>Member</i>	Scott	Lambeth	√	
	<i>Alternate</i>	Griffin	Greene		√
Independent	<i>Member</i>	Jon	Marone	√	
	<i>Alternate</i>	Tom	Jerkins		√
Independent	<i>Member</i>	Lee	Jones	√	
	<i>Alternate</i>	Sam	Jones		√
Independent	<i>Member</i>	Ron	Mahan	√	
	<i>Alternate</i>	John	Paul		√
Independent	<i>Member</i>	Ed	Pines		√
	<i>Alternate</i>	Anthony	Pascher		√
Cooperative	<i>Member</i>	Larry	Black		√
	<i>Alternate</i>	Jeff	Hancock	√	
Cooperative	<i>Member</i>	Lindsay	Raley, Jr.		√
	<i>Alternate</i>	Ellis	Hunt		√

SHIPPERS					
Affiliation	Member/ Alternate	Fname	Lname	Yes	No
Independent	<i>Member</i>	Melanie	Ressler	√	
	<i>Alternate</i>	Jon	Arost		√
Independent	<i>Member</i>	Doug	Feek	√	
	<i>Alternate</i>	Jordan	Feek		√
Independent	<i>Member</i>	Russell	Gravlee		√
	<i>Alternate</i>				
Independent	<i>Member</i>	Rusty	Varn		√
	<i>Alternate</i>	George	Hamner	√	
Independent	<i>Member</i>	Dan	Richey		√
	<i>Alternate</i>	Tom	Mitchell	√	
Independent	<i>Member</i>	Alex	Heller		√
	<i>Alternate</i>	Gee	Roe	√	
Cooperative	<i>Member</i>	Daniel	Hunt	√	
	<i>Alternate</i>	Frank	Hunt, III		√
Cooperative	<i>Member</i>	Steven	Callaham	√	
	<i>Alternate</i>				
Public	<i>Member</i>	Duke	Chadwell		√
	<i>Alternate</i>				

Staff:

Peter Chaires
Lucy Torres

USDA Staff:

Jen Varela
Delaney Fuhrmeister

Guests (newly nominated):

Frank Tranchilla
Keith Mixon
Matt Machata
Jimmy Martin
Sydney Allison

Chairman Hamner called the meeting to order with a moment of silence for Al Finch, Florida Classic Growers. Al was widely regarded as one of the most knowledgeable sales and marketing experts in the industry and served the CAC as a Shipper Member. He is and will remain sorely missed.

Mr. Chaires initiated recording of the meeting.

Chairman Hamner asked the Committee to consider the minutes of the November 30, 2021 meeting. Mr. Mahan made a motion, seconded by Mr. Callaham, to approve the minutes as presented. Motion passed unanimously.

Chairman Hamner requested consideration of the letter of engagement with Bunting, Tripp & Ingley, LLP for the Committee audit. Mr. Mahan made a motion, seconded by Mr. Hancock, to approve the letter of engagement as presented. Motion passed unanimously.

Chairman Hamner called on Mr. Hunt to review two versions of the proposed pre-estimate budget and assessment rate. Mr. Hunt and Mr. Chaires explained that a significantly higher percentage of movement went to intrastate markets this year. It is unclear whether this is going to be a trend, but if so, this will need to be taken into consideration with future budgeting. It appears that intrastate movement has doubled in recent years. Chairman Hamner inquired whether intrastate movement could be assessed. Ms. Varela explained that intrastate movement cannot be regulated under the order, and therefore cannot be assessed by the Committee. There was also some discussion whether to base the budget on 8mm cartons of regulated movement or 7.5mm (or lower). Mr. Hunt reviewed the budget sheet and explained that end of year anticipated reserves will be \$197k, which is well above the minimum of \$120k and below the maximum reserves of \$230k. Mr. Callaham made a motion, seconded by Mr. Mahan, to base the budget on regulated movement of 7.5mm cartons, leave the assessment rate at \$.015 and take any budget shortfall from reserves (*see budget attached*). Motion passed unanimously.

Mr. Hunt continued the discussion with a review of the June 30, 2022 financial statement. Again, an explanation of the anticipated shortfall was explained. Overall movement was down approximately 1.4mm from the prior year and intrastate movement of unregulated volume is increasing. Mr. Chaires explained that the \$110k of assessment collections shown in the P&L statement will increase to approx. \$120,900 when all invoices are paid. No approval was necessary.

Chairman Hamner moved the discussion to the MOA with FFVA. Mr. Chaires informed the Committee that Appendices B & C were sent to the Committee as a separate email once it was discovered that they were not included in the first email. Mr. Chaires informed the Committee that the rate is now \$8,140.00 up 2% from the previous season. Mr. Mahan made a motion, seconded by Mr. Feek, to approve the MOA with FFVA as presented. Motion passed unanimously.

Chairman Hamner addressed the *e-Compliance Plan* that was previously sent to the Committee. He further explained that the *e-Compliance Plan* essentially lays out of plan of controls and procedures that the Committee will be expected to follow and USDA AMS will verify compliance

through an audit. Mr. Mahan made a motion, seconded by Mr. Lambeth, to approve the *e-Compliance Plan* as drafted. Motion passed unanimously.

Chairman Hamner addressed the Grower Tree Run Grade and Repacker Certificate Applications. Mr. Chaires and Ms. Varela reminded the Committee that these are essentially the same as past years, only the dates were changed. Mr. Mahan made a motion, seconded by Mr. Callaham, to approve these two certificate applications as presented. Motion passed unanimously.

Chairman Hamner addressed the Internal Control plan and Credit Card Policy statement together. Mr. Mahan made a motion, seconded by Mr. Hancock, to approve both as presented. In discussion, Ms. Varela clarified that neither had changed from the previous year. Motion passed unanimously.

Chairman Hamner moved the conversation to Regulatory Bulletin #1. Again, Mr. Chaires explained that the regulations are the same as last year, the only change in the Bulletin is the date. Mr. Estes made a motion, seconded by Mr. Lambeth, to approve the 2022/23 Season Regulatory Bulletin #1 as presented. Motion passed unanimously.

Mr. Mahan made a motion, seconded by Mr. Estes, to approve Mr. Chaires and Mr. Halston Fernandez as check signers for the 2022/23 season. Motion passed unanimously.

The Committee considered mileage rates for the coming season. Mr. Callaham made a motion, seconded by Mr. Mahan, to establish the mileage rate for the 2022/23 season to coincide with whatever IRS rates was established at the time of the meeting. Motion passed unanimously.

The discussion moved to the naming of a Committee Manager for the 2022/23 season. Mr. Estes made a motion, seconded by Hancock, to approve Mr. Chaires as Manager for the 2022/23 season. Motion passed unanimously.

Ms. Varela explained to the Committee that the proposed language relating to Pummelo has moved from the Winter Haven office and is moving through the appropriate channels. The rulemaking language previously approved by the Committee is still within the comment period which ends August 29th. Ms. Varela explained that if comments are received, the response to these will be incorporated into a new version of the Rule. The publication of this rule would also indicate that a referendum will take place where the industry can vote on the amendments.

Ms. Varela confirmed that the Committee cannot yet vote on a slate of officers, as this will be handled by the new Committee.

Chairman Hamner asked Mr. Feek, Chairman of the Nominating Committee to discuss the seat vacated by the unfortunate passing of Mr. Finch. Mr. Feek stated that the Committee considered the recommendation of Dundee CGA, that Ms. Jennifer Schaal be recommended to fill this seat. Mr. Feek made this in the form of a motion, seconded by Ms. Ressler. Motion passed unanimously.

Being no further business, the meeting was adjourned.