

# Citrus Administrative Committee

## Minutes of Meeting

A meeting of the Citrus Administrative Committee was held on Thursday, May 19, 2016 at the Grove House, 20160 U.S. Highway 27, Lake Wales, Florida.

Ms. Campos, USDA/AMS Southeast Marketing Field Office called the meeting to order and read the selection order for the 2015-16 Citrus Administrative Committee as approved by the Secretary of Agriculture.

Ms. Campos then read the following notice to the committee.

“In its relationship with agencies outside the Department of Agriculture, each committee must bear in mind the necessity for confining its activity to those functions authorized under its marketing order program. A committee does not have authority for undertakings with groups or agencies outside the Department, or cannot represent itself before such groups or agencies without authorization from the Department. Committees cannot become involved in lobbying and political activities. Furthermore, committee members and employees are not authorized to appear before other government agencies or Congress in their official capacity.”

“As a reminder, the Citrus Administrative Committee is appointed by the Secretary of Agriculture under the authority of the Agricultural Marketing Agreement Act of 1937 and the Florida citrus marketing order. Committee members and employees are exempt from antitrust laws when engaging in discussions or activities within the scope of the Federal marketing order. However, any protections from antitrust laws do not extend to discussions or activities not authorized under the marketing order nor to agreements or communications with outside entities, whether oral or written, formal or informal. Please be mindful of the antitrust laws during your deliberations here today. If you would like to have a copy of our antitrust guidance, please let me know.”

Chairman George Hamner called the meeting to order and asked Mr. Chadwell to call the roll of members and alternates. Mr. Chadwell called the roll of members and alternates and reported 6 grower members and 7 shipper members were present and seated. He reported there was a quorum.

The following members and alternates of the 2015-16 Citrus Administrative Committee were present and seated:

### **Growers**

Lindsay Raley  
Ellis Hunt, Jr., alternate  
Dennis Broadaway

### **Shippers**

Melanie Ressler  
Gee Roe  
Lee Bouldin

Greg Nelson  
Rusty Banack  
Cody Estes, alternate

George F. Hamner, Jr.  
Steven Callaham, alternate  
Tom Mitchell  
Frank M, Hunt, III

**Public Member**

Others Present:

Arthur B. Chadwell  
Peter Chaires  
David Durbin  
Emery Smith  
George Streetman

Abigail Campos  
Doris Jamison  
Larry Gray  
Michel Sallin  
Kevin Streetman

Chairman Hamner asked if there were any additions or corrections to the CAC Minutes of the November 19, 2015 organizational minutes, there were no changes or corrections.. Mr. Ellis Hunt moved seconded by Mr. Roe that the CAC Minutes of the November 19, 2015 meeting be approved as mailed and posted on the website. The motion carried unanimously on a voice vote of the committee.

Mr. Raley moved seconded by Mr. Mitchell that the financial statements be approved as mailed, posted and included in the meeting folders. The motion carried unanimously on a voice vote of the committee.

Chairman Hamner noted that the actions taken on November 19, 2015 at the organizational meeting by the 2014-15 committee must be approved by the newly seated 2015-16 committee. He said those items were listed in the meeting notice/agenda and were in each meeting folder. He then read the actions taken by the 2014-15 committee.

- Nomination of CAC Officers 2 for 2015-16 - Chairman George Hamner, Jr., Vice-Chairman Tom Mitchell, Secretary Melanie Ressler and Treasurer Lindsay Raley
- Approval of the October 21, 2014 Organizational Minutes
- Approval of the Financial report for the 2014-15 season
- Employ Manager Arthur B Chadwell for the 2015-16 season
- Approved blanket position bond for Manager Chadwell, Treasurer Raley and Compliance Clerk Lelia Kader
- Named SunTrust National Banks, Inc. as the official depositories for the CAC funds
- Established auto rate of \$0.50 per mile for CAC travel by CAC employees and members and \$10 per lunch for members

- Adopted the 2015-16 CAC Budget with an assessment rate of \$0.009 per regulated carton with total revenue and expense of \$159,500 and any revenue over expenses be placed in reserves
- Approved the 2014-15 CAC audit by Dearolf & Mereness LLP
- Adopted the 2015-16 Advisable Marketing Policy
- Adopted 2015-16 Compliance Plan and Internal Controls
- Adopted Regulation Bulletin Number 1 for the 2015-16 season
- Post approved Manager Chadwell's action of approving Grower Tree Run Certificates, Organic Certificate of Privilege for the 2014-15 season
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Mr. Raley moved seconded by Mr. Banack that the actions of the 2014-15 committee taken on November 19, 2015 be approved by the 2015-16 committee as mailed, posted and included in the meeting folders. The motion carried unanimously on a voice vote of the committee.

Chairman Hamner called on Mr. Chadwell to report on the nominees for the public member and public member alternate for the 2015-16 season.

Mr. Chadwell reported Lisa Gaskalla, Executive Director of Ag in the Classroom has agreed to be considered for the public member and Tamara Woods, President of Ag in the Classroom has agreed to serve as public member alternate for the 2015-16 season. He noted that both Lisa and Tamara were very well known in the citrus industry as both have worked with Florida Citrus Mutual in the past and are very qualified to serve and represent the public.

Mr. Broadaway moved, seconded by Mr. Frank Hunt, III nominating Lisa Gaskalla as the public member and Tamara Woods as the public member alternate for the 2015-16 season. The motion carried unanimously on a voice vote.

CAC Treasurer Lindsay Raley gave an update on the 2015-16 budget and presented a recommendation from the Executive Committee for 2016-17 budget.

"The Executive Committee met earlier and reviewed the financial status of the committee including fresh citrus shipments, expenditures and projected total revenue and expenses for this current season. Fresh citrus shipments are projected to be approximately 17 million cartons with approximately 91% or 15.47 million cartons of those shipments going to regulated markets for the current 2015-16 budget. Total expenses for this season were approved at \$159,500. Total expenses for this season, which ends on July 31<sup>st</sup> should be approximately \$159,000 a slight reduction from what was approved in the budget. This will be the fourth consecutive season reserves approximately \$17,000 will be required to the fund our budget due to declining fresh shipments. Expenses for the committee have declined in the last few seasons and the assessment rate as remained at \$0.009. The Executive Committee determined after reviewing the financial history of the committee, the assessment rate should remain at \$0.009 for the upcoming 2016-17 season.

In preparing this proposed budget we considered projected fresh citrus shipments for next season, reserves and total expenses. This proposed budget is based on regulated shipments of 13.8 million

regulated cartons, approximately 20% below this season. Expenses will be reduced \$18,900 from the 2015-16 season. If expenses exceed revenue as projected, the short fall in revenue will come from our reserves, which is estimated to be \$28,075. The Executive Committee recommends the approval of the proposed 2016-17 budget, which was mailed to all CAC members and alternates last week and posted on the CAC webpage. Are there any questions concerning the proposed budget and assessment rate for the 2016-17 season as presented?"

CAC Treasurer Raley asked if there were any additional questions concerning the proposed 2016-17 CAC Budget. There being no additional questions, Mr. Raley moved the committee approve the proposed 2016-17 CAC Budget as presented, with an assessment rate of \$0.009 mills per regulated carton, based on regulated shipments of 12.5 million cartons with total revenue of \$112,500 and total expenses of \$140,600 and any additional revenue required to fund this budget would come from reserves. The motion was seconded by Mr. Mitchell and carried unanimously on a voice vote of the committee.

Manager Chadwell reviewed all the current minimum grade and size regulations as outlined in the CAC Regulation Bulletin # 2 for the 2015-16 season. There was no request for any regulation changes.

Chairman Hamner noted that By-Laws were adopted on June 15, 2010 and there had been no updates and there were a few items that required updating by the committee. He called on Manager Chadwell to update the committee on the recommended changes.

Manager Chadwell noted there were copies of the By-Laws with the recommended changes, in all meeting folders, and copies been distributed via email to all members and alternates and also posted on the CAC Website. He noted that on May 17, 2016 the Executive Committee had reviewed and discussed the purposed changes to the By-Laws and approved all the purposed changes.

Chairman Hamner asked if there were any questions or suggestions on the Executive Committee's recommendation on the By-Law changes. There being no questions, Mr. Raley moved the updated By-Laws be approved as presented. Mr. Bouldin seconded the motion. The motion was approved on a voice vote of the committee.

Manager Chadwell commented on the recent grower and shipper nomination meetings for CAC membership for the 2016-17 & 2017-18 seasons. He reminded the committee that the nominations/selection of committee members had changed to biannual meetings and 2 year terms with the addition of the amendment changes last season.

Manager Chadwell also commented that he would be working with the Division of Fruit & Vegetable to stream line data collection and distribution.

Chairman Hamner asked if there was any additional business to be considered. There being none the meeting was adjourned.