



Dairy Council of California®

Executive Committee Meeting

June 14, 2023

Dairy Council of California

1418 N Market Blvd, Ste 500, Sacramento, CA 95834

10:00 A.M.

Zoom Meeting info: <https://us02web.zoom.us/j/89543554299>

Meeting ID: 895 4355 4299

1-699-900-6833

VISION: Together, we advance milk and dairy's unique and essential contributions to healthy, sustainable eating patterns.

CAUSE: Elevating the health of children and communities in California by promoting lifelong healthy eating patterns.

1. Call to Order and Introductions – *John Dolan, Chairman* 10:00 a.m.
2. Standards of Performance, Anti-Trust and Approval of the Minutes (*before Tab 1*) 10:05 a.m.
from the Meeting of March 16, 2023
Motion to approve the Minutes from the March meeting
3. Public Comments 10:10 a.m.
4. CEO Report – *Amy DeLisio, CEO* 10:15 a.m.
Review Research Concept Proposals
5. 2022-2023 Financial Reports – *Matt Delgado, Operations Officer* 10:35 a.m.
 - 2022-2023 Financial Report Through May 31, 2023 (**Tab 2**)
 - Cash & Investments for months ending May 31, 2023 (**Tab 2**)**Motion to approve the Financial Report, Cash & Investment thru May 31, 2023**
6. 2023-2024 Success Plan + Staffing Review (**Tab 4**) – *Amy DeLisio* 11:00 a.m.
7. 2023-2024 Proposed Budget, *Matt Delgado (Tab 2)* 11:10 a.m.
 - Proposed Revenue
 - Assessment Rate
 - Property, Equipment, & Digital Upgrades – *Amy DeLisio***Motion to approve the EX Committee recommendation on the**

2023-2024 Success Plan, 2023-2024 Proposed Budget, Proposed Capital Expenditures and Assessment Rate and bring forward to the full board.

8. 2023-2024 – DCC Administrative Policies – *Amy DeLisio* 10:40 a.m.
9. CDFA Report – *Dennis Manderfield, Sr. Agricultural Economist* 10:45 a.m.
- Break** 10:55 a.m.
10. Closed Session pursuant to California Government Code 11126(a) and 11126(e) regarding the evaluation of performance and a Closed Session pursuant to California Government Code 11126(e). 11:05 a.m.
11. Open Session – Report on Closed Session 11:45 a.m.
12. Chairman’s Report – *John Dolan* 11:50 a.m.
 - Appointment of the Nominating/Board Member Search Committee - Brad Scott **(Tab 5)**
Motion to approve the EX Committees recommendation for the Nominating Committee/Search Committee and bring forward to the full board.
13. Public Comments 11:55 p.m.
14. Adjourn 12:00 p.m.

Next Executive Committee Meeting – November 13, 2023, Santa Barbara

Anti-trust Statement - The Dairy Council of California, its members and staff, strictly comply with all State and federal antitrust laws. Discussions regarding setting prices and price terms, restrictions on competition, and boycotts are prohibited at all program functions. Should any meeting attendee observe discussions that involve antitrust sensitivity, the attendee should raise his or her concern and request the discussion be stopped. If the discussion continues, the discussion should be reported to the program CEO and Department staff.

Members of the public are encouraged to provide comment to the Board and may suggest items to be placed on the agenda for discussion at the next Board meeting. While the Board values the participation of the public, the Board Chair reserves the right to limit the time for public comment depending on the length of agenda and number of commenters.

*NOTE: Each of the Agenda Items above will include discussion and possible action by the Board. All meetings of the Dairy Council of California are open to the public and subject to the Bagley-Keene Open Meeting Act. All interested parties are invited and encouraged to attend the meeting. Time will be allowed for members of the public to make comments on each Agenda item. This time will be limited to two minutes per person for each Agenda item.

Persons With Disabilities: The Department of Food and Agriculture wishes to ensure that all members of the public have access to all public meetings. If you require a special accommodation, please contact Kendall House at (916) 263-3560 at least five days prior to the meeting date. This Meeting Notice and Agenda is available on the California Department of Food & Agriculture’s Website at https://www.cdfa.ca.gov/fairs_&_expositions/Meeting_Notices/ for further information regarding the Agenda for this meeting, please contact Kendall House, Executive Assistant, Dairy Council of California, 1418 N. Market Blvd, Suite 500, Sacramento, CA 95834 (916) 263-3560, www.HealthyEating.org.

Each of the noticed agenda items will include discussion and public comment. Noticed items will be considered for possible action by the Board. Any item not so noticed will not be considered or discussed. Items listed on the agenda may be considered in any order at the discretion of the Board Chair. All meeting agendas and notices are available on the California Department of Food and Agricultural website at: <https://www.cdfa.ca.gov/mkt/mkt/>. (select meeting notices)

For further information regarding this meeting, please contact: Kendall House, 916-263-3560.

AMERICANS WITH DISABILITIES ACT

All meeting facilities are accessible to persons with disabilities. If you need reasonable accommodation as defined by the Americans with Disabilities Act, or if you have questions regarding the public meeting, please contact Kendall House at 916-263-3560. Requests for reasonable accommodation should be made no later than three (3) days before the meeting.

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EXECUTIVE COMMITTEE
DAIRY COUNCIL OF CALIFORNIA
STANDARDS OF PERFORMANCE

Executive Committee responsibilities will be fulfilled when the following are accomplished and appropriate feedback is given to the C.E.O.

At its third regularly scheduled meeting of the calendar year, the Executive Committee will:

1. Review current financial statement against budget and develop appropriate recommendations to the Board
2. Review program plans and supporting budgets (for the following fiscal year) and make any recommendations to the Board
3. Determine an assessment rate to support the recommended programs and budget for the following fiscal year and make a recommendation to the Board
4. Assess DCC administrative policies and recommend any modifications to the Board
5. Receive C.E.O.'s report on current DCC organization and staffing
6. Assess salary ranges and recommend any appropriate changes to the Board
7. Review C.E.O.'s recommendations on administrative matters that are outside her authority and take appropriate action
8. Review C.E.O.'s report on out-of-state program usage.
9. Appoint Nominating Committee
10. Review C.E.O.'s performance for previous year
11. Review C.E.O.'s salary and make appropriate recommendation for adjustment to the Board

Minutes of the Meeting of the
Executive Committee
March 16, 2023
Carte Hotel, San Diego

PRESENT: John Dolan, Chairman
Curt DeGroot
Arlin Van Groningen
Joey Fernandes
Brad Scott

ABSENT: Mike Newell, Stephen Weststeyn

OTHERS

PRESENT: Amy DeLisio, Dairy Council of California
Mike Blote, Dairy Council of California
Matt Delgado, Dairy Council of California
Kendall House, Dairy Council of California
Dennis Manderfield, California Department of Food & Agriculture

Call to Order

Chairman Dolan called the meeting to order at 10:02 a.m.

Standards of Performance and Approval of Minutes

Chairman Dolan instructed the board to review the Standards of Performance and the anti-trust statement for the regularly scheduled spring meeting and the January 26, 2023, Executive Committee minutes for review and approval.

IT WAS MOVED BY JOEY FERNANDES AND SECONDED BY ARLIN VAN GRONINGEN TO APPROVE THE MINUTES OF THE MEETING FROM JANUARY 26, 2023. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: CURT DEGROOT, JOHN DOLAN, JOEY FERNANDES, BRAD SCOTT, ARLIN VAN GRONINGEN; NAYS: NONE; ABSTAIN: NONE, ABSENT: MIKE, NEWELL, STEPHEN WESTSTEYN (BOARD MOTION 2023-3-16 EX#1).

CEO Report

Ms. Amy DeLisio shared the progress to date on the 2022-2023 Success Plan. She stated staff will be presenting a full update later in the day.

Ms. Amy DeLisio presented a staffing update. She welcomed Matt Delgado, stating that he will be replacing Mike Blote as he has announced his retirement. She shared we recently hired the Data Analyst position and that person will be starting on March 22, 2023. She also shared a revised salary schedule for new positions that the Council is seeking full board approval at the full board meeting.

Ms. Amy DeLisio mentioned the five-year continuation hearing will be in July and we will be looking for support from the board. Also, looking for volunteers from board members to join the Research Committee to review various research opportunities. Dr. Lorrene Ritchie will be presenting at the June meeting on the results of the research pilot study, which was a clinical feasibility study to better understand the effect of milk types on toddler's health outcomes.

Ms. Amy DeLisio reminded the committee that we recently cancelled the Regional Meet and Greets due to the recent weather and will reschedule for later in the fiscal year.

Ms. Amy DeLisio shared that the 2023-2024 annual success planning session will take place during the full board meeting on March 17th and there will be a trends presentation as well.

Ms. Amy DeLisio informed the committee of the external industry meetings she has attended since the last meeting.

Nominating Committee Update

Mr. Brad Scott, the Nominating Committee Chairman, provided a report that the committee will stay the same, members will be Curt DeGroot and Arlene VanderEyck, he stated there are no current open positions.

Financial Report for the Period July 1, 2022 through February 28, 2023

Mr. Blote reviewed the comparative statements of net position as of February 28, 2023 and 2022. Total liabilities and net position were \$9,145,164 for the current year as compared to \$9,214,255 the prior year.

Mr. Blote reviewed the summary statements of Revenues, Expenses and Changes in Net Position for the period July 1, 2022 through February 28, 2023. He also reviewed individually the statement of expenses for Program Services, Research and Industry Relations, Administration and Overhead. Total revenues through February 28, 2023 were \$4,360,014 and total expenses were \$4,559,008 for a decrease of \$198,994 in net position.

Cash and Investments for the Months Ending February 28, 2023 and 2022

Mr. Blote reviewed the total cash and investments for February 2023 and 2022. Total cash and investments were \$4,061,909 for 2023 as compared to \$5,123,552 for 2022.

Audit Firm Update

Mr. Blote reminded the committee that we are in contract with Mann, Urrutia, Nelson & Associates, LLP and will continue with year two of a three-year financial audit.

Ms. Amy DeLisio requested input from the committee on budgeting for salaries for the next fiscal year. After discussion, it was decided to approve salary increases for this fiscal year up to 4.2% based on performance.

Assessment Revenue Projections 2023-2024

Ms. Amy DeLisio led a conversation around the projected assessment revenue for the 2023-2024 year. After the conversation, it was recommended to use the current assessment rate and flat assessment revenue projection for budgeting purposes for 2023-2024. This will be reviewed and approved by the Executive Committee and Full Board in June 2023.

IT WAS MOVED BY BRAD SCOTT AND SECONDED BY JOEY FERNANDES TO APPROVE THE FINANCIAL REPORTS FOR THE YEAR JULY 1, 2022 THROUGH FEBRUARY 28, 2023, AS PRESENTED, APPROVE TO KEEP THE ASSESSMENT RATES FLAT FOR BUDGETING FOR THE 2023-2024 BUDGETING PROCESS, APPROVE THE SALARY INCREASES UP TO 4.2% BASED ON PERFORMANCE, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: CURT DEGROOT, JOHN DOLAN, JOEY FERNANDES, BRAD SCOTT, ARLIN VAN GRONINGEN; NAYS: NONE; ABSTAIN: NONE, ABSENT: MIKE NEWELL, STEPHEN WESTSTEYN (BOARD MOTION 2023-3-16 EX#2).

Chairman's Report

Chairman Dolan thanked everyone for their assistance with Amy's onboarding.

CDFA Report

Mr. Dennis Manderfield shared that he and Mr. Joe Monson conducted the CEO orientation with Amy. He mentioned CDFA's recent appointment to the Producer Review Board.

Adjourn

The meeting was adjourned at 11:00 a.m.



Submitted By: _____

Amy DeLisio
Chief Executive Officer

DRAFT - DCC ADMINISTRATIVE POLICIES
July 1, 2023 – June 30, 2024

1. Whenever the Rules and Regulations require action of Dairy Council of California (hereinafter called the Council), such action may be taken by the Executive Committee, as authorized by Section 64111 of the Agricultural Code, and any such action taken by the Executive Committee must be ratified by the full Board of Directors before implementation.
2. The C.E.O. is authorized to employ and discharge program and support staff and other employees, as the C.E.O. deems necessary and to prescribe their duties and powers. The Board of Directors shall annually approve salary ranges for all positions in the organization except for the C.E.O., which is set annually by the California Department of Food and Agriculture. The C.E.O. is authorized to establish and change salaries of all employees within the approved ranges. This authority is limited to no more than an 8 percent increase for any employee in any fiscal year.
3. The C.E.O., subject to the approval of the Executive Committee and the Secretary, is authorized to make necessary adjustments in budget items, including the transfer of funds among items, as long as the total amount of the budget is not exceeded. The C.E.O. must inform the Board of the adjustments and a revised budget must be approved.
4. The C.E.O. is authorized to approve contracts on behalf of the Council, which are within the limits of the budget, and submit annual reports of executed contracts in excess of \$10,000 to the Secretary of Food and Agriculture. At the first meeting of the calendar year of the Executive Committee, a summary of all contracts shall be reviewed.
5. The C.E.O. is authorized to purchase American made trucks and trailers for the Council employees. Miles per gallon shall be a criteria when making selection, at least three bids must be secured and the purchase made at the lowest price. The purchase may also be made through a fleet agreement not to exceed \$100.00 above factory invoice.
6. Equipment purchases exceeding \$3,000 per item require approval of the Executive Committee.
7. The C.E.O. is authorized to enter into leases for office space and to purchase and/or lease furniture and equipment as needed for such space. This authorization shall include lease of space for employee parking as appropriate. Relocation of offices shall be approved by the Executive Committee. At the first meeting of the calendar year of the Executive Committee, a summary of all leases shall be reviewed.
8. The C.E.O. is authorized to approve for payment, necessary expenses incurred by persons who are requested by the C.E.O. to make appearances on behalf of the Council or render assistance to the Council, and to approve for payment honorariums to persons who are requested to make appearances on behalf of the Council or render assistance to the Council.
9. The C.E.O. is authorized to call for interview and pay allowable expenses of applicants for employment from in or out of California.

10. The C.E.O. is authorized to approve for payment expenses incurred by an employee (except by the C.E.O., whose relocation expenses shall be approved by the Executive Committee) and family who are required to relocate because of a change in assignment, promotion or other duty-related reason. This authorization shall include payment of expenses incurred by persons required to relocate for the purpose of accepting employment with the Council. For the purpose of relocating, moving expenses and per diem allowance not to exceed 30 days shall also be included in this authorization.
11. The C.E.O. is authorized to approve for payment fees to personnel agencies for recruitment purposes.
12. The C.E.O. is authorized to approve the payment expenditures for registration for conventions, meetings, classes, dues for professional organizations and participation in other activities when such membership and participation will, in the opinion of the C.E.O., benefit the Council.
13. The C.E.O. is authorized to approve an amount not to exceed \$250 in value per occasion for flowers, plaques and other mementos given on behalf of the Board as appropriate to Board members, staff and other industry leaders.
14. With immediate notification of the Executive Committee, the C.E.O. is authorized to approve expenditures, not to exceed \$50,000, for managing a crisis situation, which has the potential to impact the Council and/or milk and dairy food consumption. Expenditures of the monies and amendment to the budget must be reported to the Executive Committee at the following meeting.
15. The C.E.O. is authorized to add or revoke signers to the Council checking accounts, according to Payment Procedure Policy on file. Changes in authorization of signers will be reported at the following meeting of the Executive Committee.
16. The C.E.O. is authorized to approve the purchase of alcohol for program-sponsored meals and events. The price shall be included as part of the allowable per diem limits and the Council will provide appropriate oversight and review before reimbursement is allowed.

Revised June 2017