



Hass Avocado Board
Meeting Packet

December 2, 2020



ANTITRUST POLICY

Hass Avocado Board (HAB) Members and HAB event participants are subject to United States antitrust laws that prohibit, among other things, fixing prices, allocating geographic markets, unfair or deceptive practices, setting profit levels, and boycotts. Discussions at HAB events must not evolve into addressing or inducing or agreeing to private sector joint actions between industry members to resolve their competitive concerns, or to adversely affect other industry members. The Hass Avocado Board shall not permit or condone willful or inadvertent anti-competitive behavior in connection with any HAB organized event.

GUIDELINES FOR HAB EVENTS AND MEETINGS

Proper Activities - Hass Avocado Board discussion may include, but shall not be limited to:

- Avocado industry-wide activities and concerns;
- Exchange of information on new developments in the avocado industry; and
- Promotion of markets for the avocado industry as a whole.

Improper Activities During meetings of the Hass Avocado Board, there shall be no anticompetitive discussion. This may include, but is not limited to, the following topics:

- Current or future prices or pricing policies;
- Price lists or procedures for coordinating price changes, sales quotas, allocation or division of territories or customers;
- Boycotting any party or denying any party access to markets, products, or information;
- Commercial practices of competitors or customers; or
- Anything dealing with trade abuses or excluding or controlling competition

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MEMORANDUM

DATE: November 20, 2020
TO: HAB & HAC Members/Alternates
FROM: HAB Chairman, Jorge Hernandez
SUBJECT: December 1 & 2, 2020 – HAB/HAC Meetings

Tuesday, December 1, 2020
9:30 AM – 10:15 AM*

Tuesday, December 1, 2020
1:00 PM – 5:00 PM

Wednesday, December 2, 2020
8:30 AM – 11:45 AM*

Wednesday, December 2, 2020
12:00 PM** – 12:30 PM*

Hass Avocado Board Meeting – Seat New Members & Election of Officers

Hass Avocado Board – New Member Orientation

Hass Avocado Committee Meeting

Hass Avocado Board Meeting

HAB ATTENDANCE POLICY FOR BOARD AND COMMITTEE MEETINGS INCLUDES THE FOLLOWING:

HAB members that fail to attend an entire meeting without an excused absence 50% or more of the board meetings in a single year will be asked to resign from the Board or will be removed from the committee.

HAB alternate members that fail to attend an entire meeting without an excused absence 50% or more of the board meetings that they are required to attend in a single year will be asked to resign from the Board.

Refer to the entire Attendance Policy for full details.

PLEASE contact the Chairman of the Board, Jorge Hernandez at jhernandez@meviavocados.com and silvia@hassavocadoboard.com if you are unable to attend.

To ensure diversity, the HAB has adopted the following Diversity policy:

The Hass Avocado Board's programs are open to all individuals without regard to race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status or other basis protected by law; and it is the HAB's policy that membership on the Board and its committees reflect the diversity of individuals served by its programs. It is therefore the HAB's policy to have industry representatives from diverse backgrounds on the Board and committees. To this end, the HAB strongly encourages women, minorities, and persons with disabilities to seek nominations to the Board and committees, and to participate in Board and committee activities.

*Scheduled adjournment meeting can run over schedule in order to complete all agenda items.

** Approximate time, the HAB meeting will follow immediately after the HAC meeting.

VISION: FRESH HASS AVOCADOS WILL BE AMERICA'S MOST POPULAR AND DESIRED FRUIT BY 2025. THE AVERAGE ANNUAL INCREASE IN THE VALUE OF THE FRUIT CONSUMED ON A PER PERSON BASIS IN THE U.S. WILL BE 6%.

MISSION: HAB STRENGTHENS THE GLOBAL AVOCADO INDUSTRY AND ITS STAKEHOLDERS IN OUR COLLECTIVE EFFORTS TOWARD MARKET DEVELOPMENT IN THE U.S. THROUGH LEADERSHIP IN NUTRITION, COMMUNICATIONS, BUSINESS SUPPORT TOOLS AND INFORMATION, AND SUSTAINABILITY PRACTICES THROUGHOUT THE SUPPLY CHAIN.



Hass Avocado Board Meeting Agenda

Tuesday, December 1, 2020
9:30 a.m. – 10:15 a.m. (PST)

Via Online Video/Teleconference
Connection instructions below

- 9:30 A.M.**
- 1. CALL MEETING TO ORDER AND SEATING OF NEW APPOINTED MEMBERS**
 - 2. ROLL CALL AND ESTABLISH QUORUM**
 - 3. ELECTION OF CHAIRPERSON**
 - 4. ELECTION OF VICE-CHAIRPERSON**
 - 5. ELECTION OF SECRETARY**
 - 6. ELECTION OF TREASURER**
 - 7. APPROVAL OF HASS AVOCADO COMMITTEE ROSTER**

10:15 A.M. ADJOURN*

*Scheduled adjournment meeting time can run over schedule in order to complete all agenda items.

Join Zoom Meeting

<https://us02web.zoom.us/j/82901763146>

Meeting ID: 829 0176 3146

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Dial by your location

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+56 41 256 0288 Chile

+57 2 620 7388 Colombia

+52 556 826 9800 Mexico

+51 1 708 8312 Peru

Meeting ID: 829 0176 3146

Find your local number: <https://us02web.zoom.us/j/82901763146>



Hass Avocado Committee Meeting Agenda

Wednesday, December 2, 2020
8:30 a.m. – 11:45 a.m. (PST)

Via Online Video/Teleconference
Connection instructions below

- 8:30 A.M. 1. CALL TO ORDER**
1a. Roll Call - Establish quorum
1b. Announcements
1c. Public Comment
- 8:40 A.M. 2. CONSENT AGENDA**
2a. September 17, 2020 HAC meeting minutes
2b. Accounting and Internal Controls Policy & Procedures – Purchasing section
2c. Board/Committee meeting attendance report
- 8:45 A.M. 3. USDA REPORT – Sue Coleman**
- 8:50 A.M. 4. FIDUCIARY/GOVERNANCE**
4a. 2020 Financial Reports
4b. Performance Evaluation and Compensation of Executive Director Policy
4c. 2021 Meeting Schedule Proposal
4d. Executive Committee Succession Meeting
- 9:20 A.M. 5. STRATEGY/BUSINESS PLAN**
5a. 2020 Business plan updates
5b. 2020 Budget amendment #3
5c. 2021 Budget amendment #1
5d. 2021 Business plan dashboard format
5e. Avocado sustainability center
- 11:00 A.M. 6. COMMITTEES**
6a. CGC 2021 BoardSource assessment and workshop
6b. HALC / Bold program update
- 11:20 A.M. 7. INDUSTRY**
7a. Country and market reports
- 11:40 P.M. NEW BUSINESS**
11:45 P.M. ADJOURN*
- *Scheduled adjournment meeting time can run over schedule in order to complete all agenda items.

Join Zoom Meeting

<https://us02web.zoom.us/j/89938194643>

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+57 1 518 9697 Colombia

+52 554 161 4288 Mexico

+51 1 730 6777 Peru

Meeting ID: 899 3819 4643

Find your local number:

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Hass Avocado Board Meeting Agenda

Wednesday, December 2, 2020
12:00 p.m. – 12:30 p.m. (PST)

Via Online Video/Teleconference
Connection instructions below

12:00 P.M. 1. CALL TO ORDER AND CHAIRMAN REPORT

- 1a. Roll Call - Establish quorum
- 1b. Announcements
- 1c. Public Comment

2. CONSENT AGENDA

- 2a. September 16, 2020 HAB meeting minutes
- 2b. September 17, 2020 HAB meeting minutes
- 2c. Accounting and Internal Controls Policy & Procedures – purchasing section
- 2d. Board/Committee meeting attendance report

12:10 P.M. 3. HASS AVOCADO COMMITTEE REPORT

- 3a. Performance Evaluation and Compensation of Executive Director Policy
- 3b. 2021 Meeting schedule proposal
- 3c. 2020 Budget amendment #3
- 3d. 2021 Budget amendment #1
- 3e. 2021 Business plan dashboard format
- 3f. Avocado Sustainability Center

12:25 P.M. NEW BUSINESS

12:30 P.M. ADJOURN**

**Scheduled adjournment meeting time can run overschedule in order to complete all agenda items.

Join Zoom Meeting

<https://us02web.zoom.us/j/89938194643>

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Meeting ID: 899 3819 4643

Find your local number: <https://us02web.zoom.us/j/89938194643>



Consent Agenda
December 2, 2020



Hass Avocado Board

Meeting Minutes

Wednesday, September 16, 2020
2:00 p.m.

Via zoom video conference

A meeting of the Hass Avocado Board (HAB) was held via zoom video conference on Wednesday, September 16, 2020, at 2:00 p.m., with the following people present:

HAB MEMBERS PRESENT

Jorge Hernandez, Chair
Ben Van Der Kar
Bob Schaar
Charley Wolk
Dave Fausset
Gahl Crane
Jim Donovan
Laurie Luschei
Salvador Dominguez
Sergio Chavez
Susan Pinkerton

HAB MEMBERS ABSENT

Scott Bauwens, Excused

HAB ALTERNATES PRESENT

Aaron Acosta
Dave Billings
Elizabeth Ayala
Jacqueline Solares
Jim Swoboda
John Cornell
Jose Antonio Gomez
Will Carleton

HAB ALTERNATES ABSENT

CJ Shade, excused
Jeff Dickinson
Paul Romero

OFFICIALLY PRESENT

Sue Coleman, USDA

CALL HAB MEETING TO ORDER

Chair Hernandez called the HAB meeting to order at 2:03 p.m., with a quorum present.

CLOSED SESSION

Chair Hernandez informed the committee that they would be going into closed session to discuss the HAB Executive Director Annual Performance Evaluation.

2:09 PM CLOSED SESSION BEGAN

2:34 PM CLOSED SESSION ENDED

2:35 PM RECONVENE HAB MEETING

Chair Hernandez reconvened the meeting and announced that HAB will be providing a 2020 Executive Director Bonus of 10% and 2021 Executive Director Base Salary Increase of 5%. In addition, HAB approved 2021 Goals for the Executive Director.

NEW BUSINESS

Chair Hernandez reported that the HAB Executive Compensation Committee recommended a change to the Performance Evaluation and Compensation of the Executive Director Policies and Procedures to use an Independent Third Party consultant on compensation, like the services provided by SmithPilot in 2019, every two to three years. This will be brought up at the next HAB Board meeting for further discussion.

Chair Hernandez thanked everyone for their time and input.

ADJOURN

Chair Hernandez asked for a motion to adjourn the meeting.

*MOTION: The Hass Avocado Board approves the adjournment of the September 16, 2020 meeting.
(Fausset) Motion Adopted*

Chair Hernandez adjourned the meeting at 2:39 pm PDT.

Respectfully submitted,

Susan M. Coleman
USDA Marketing Specialist

Need Board Approval



Hass Avocado Committee

Meeting Minutes

Thursday, September 17, 2020
9:30 a.m.

Via Zoom/Teleconference

A meeting of the Hass Avocado Committee (HAC) was held on Thursday, September 17, 2020, at 9:30 a.m., with the following people present:

HAC MEMBERS PRESENT

Ben Van Der Kar
Bob Schaar
Jim Donovan
Charley Wolk
Dave Fausset
Gahl Crane
Jorge Hernandez
Salvador Dominguez
Scott Bauwens
Sergio Chavez
Susan Pinkerton
Jose Antonio Castro, PAC
Daniella Malfitano, CAC
Jorge Covarrubias, CAIA
Jorge Restrepo, CAB

HAC ALTERNATES PRESENT

Patrick Lucy
Aaron Acosta
Bob Schaar
Dave Billings
Elizabeth Ayala
Jeff Dickinson
Jim Swoboda
Paul Romero
Will Carleton
Jaime Rivas Campbell, MHAIA
John Lloyd Butler, CAC

HAC MEMBERS ABSENT

Laurie Luschei, excused
David Ruiz, MHAIA, excused

HAC ALTERNATES ABSENT

CJ Shade, excused
Giovanni Cavaletto, PAC
Patrick Lucy, CAIA
Ricardo Uribe, CAB

GUESTS PRESENT

Patrick Casey, JRG
Ron Campbell
Gary Caloroso

OFFICIALLY PRESENT

Sue Coleman, USDA

STAFF PRESENT

Alejandro Gavito, HAB
Emiliano Escobedo, HAB
Gina Widjaja, HAB
John McGuigan, HAB
Nikki Ford, HAB
Robert Rumph, HAB
Silvia Standke, HAB

CALL MEETING TO ORDER

Chairman Hernandez called the Hass Avocado Committee (HAC) meeting to order at 9:32 a.m. He proceeded with roll call and established a quorum making a note of the above excused and non-excused committee member absences.

ANNOUNCEMENTS

Hernandez stated that Executive Director Escobedo had a few announcements.

Escobedo proceeded by recognizing the 2020 outgoing board members and alternates. He thanked them for their service to the Board and to the industry. He also announced that HAB recently hired a new staff member and provided details of her position and responsibilities with HAB.

Hernandez noted that Escobedo will serve as the staff recorder of the HAC and will provide a report of the meeting to the Board when it reconvenes later today. Hernandez acknowledged the attendance of Sue Coleman and Patrick Casey.

PUBLIC COMMENT

Hernandez continued by opening the floor to public comments. There were no public comments.

CHAIRMAN REPORT

2020 Executive Director Review

Hernandez updated the HAC members on the closed session meeting held the previous day. He indicated that the Executive Director's annual evaluation was discussed and the Board looks forward to working with Escobedo as the Executive Director.

Redactions

Hernandez reminded the group that during the meeting in February, the HAC made a recommendation to the Board to develop a policy that removes the redactions for personally identifiable information from the board member and staff expense report cover pages that are uploaded to BoardEffect. In addition, the policy would have removed the redactions for personally identifiable information of board members and staff from the check register. He indicated that the Board approved such recommendation and the staff developed the policy. However, USDA did not approve the policy. He then continued by stating that USDA's position has been made very clear, and unless there are objections, it is time to set aside this issue and move on. Following some discussion, it was noted that any further action would now have to be outside of the Board.

CONSENT AGENDA

Hernandez stated that Items A through I of the Consent Agenda are non-controversial items and before he entertained a motion approving the consent agenda, he asked if there are any items that should be discussed separately. There were no comments and he entertained the following motion:

MOTION: *The Hass Avocado Committee approves Consent Agenda items A through I as presented.*
Item A. February 26, 2020 HAC meeting minutes
Item B. Davis Farr Financial Audit Engagement Letter for Year Ending 2021
Item C. Davis Farr Scope of Work for Handler Audit for Year Ending 2020
Item D. Davis Farr Scope of Work for 2021 HAB Election
Item E. Scope of Work for 2021 JRG Attorneys at Law
Item F. Email & Documentation Retention Policy
Item G. Nomination Procedures
Item H. Accounting and Internal Controls Policy
Item I. 2020 Board Committee & Liaison Roster (CRIC & HALC)
(Schaar) Motion Approved

DISCUSSION: It was noted that the word "motion" is misspelled, and will be corrected on page 9 of the HAC & HAB meeting minutes.

USDA REPORT

Hernandez then asked Coleman to provide the group with the USDA report. Coleman stated that USDA has had staff changes and provided details on those changes. She stated that USDA is requesting public comments on their Organic Rule. She provided a website to submit the comments and the deadline. She provided an update on current HAB FOIA requests and indicated that three have been closed and two remain open. Coleman continued with an update on the HAB Nominations and indicated that USDA has received the nominations from HAB.

FINANCE REPORT

Hernandez asked Rumph to provide the group with the Finance report. Rumph reported from the September 14, 2020 Finance Committee meeting. He also stated that the 2019 Financial Audit report was approved back in May by the Finance Committee and that Davis Farr will present the results during the HAB meeting later today. There were no comments and he entertained the following motion:

MOTION: The Hass Avocado Committee recommends to the Board accepting the 2019 Financial Audit results as presented. (Schaar) Motion Approved

2021 BUSINESS PLAN & BUDGET AND FIVE-YEAR STRATEGIC PLAN

Hernandez asked Escobedo to provide the group with a report on the 2021 Business Plan, Budget and Five-Year Strategic Plan. Escobedo shared his screen and talked about what guided him throughout the Strategic Plan process. He continued with a review of the new Five-Year Strategic Plan. He then talked about the 2021 Business Plan and went through the plan. He also talked about the staff allocations to programs and administration. Hernandez entertained the following motion:

MOTION: The Hass Avocado Committee recommends to the Board approval of the 5-Year Strategic Plan, the 2021 Business Plan and budget as presented. (Fausset) Motion Approved

DISCUSSION: Escobedo noted that the 2020 Business Plan Update (provided in the meeting packet), is a comprehensive report that shows everything that HAB has done so far since the last meeting. It is all coded so that it can be compared to the budget in the financials (how much was spent and budgeted) and what has been done to support that program. He stated that these updates are provided at every board meeting. Covarrubias wants an executive summary, including an update on the budget and not as long as the Business Plan Update. He suggested having smaller more specific meetings, via zoom, to provide the group with updates. There was mention of the current work that the CGC has been doing to improve Board communications.

COMMITTEE REPORTS

Corporate Governance Committee (CGC)

Hernandez asked CGC Chair, Bauwens to provide the group with an update on the work the CGC. Bauwens reminded the group that the interpretative analysis was based on the Board Self-Assessment. He stated that rebuilding the culture of the Board was at the top of the list and noted that a task force was created to tackle this project. He proceeded to explain the process of how the task force came up with the recommendations in the memo and explained each recommendation. He thanked the task force for their time and commitment to this project. Hernandez thanked Bauwens for his update and entertained the following motion:

MOTION: The Hass Avocado Committee recommends to the Board approval of the adoption and implementation of the recommendations outlined in the Memo dated 9-17-2020 from the CGC Chair to the Board, as the first step towards rebuilding HAB's culture. (Dominguez) Motion Approved

Country Reports and Information Committee (CRIC)

Hernandez asked CRIC Chair, Donovan to provide the group with an update on the work the CRIC has been

doing. Donovan explained his report and the two paths they are working on. The country reports form and how it has been updated. He stated that the second one is more challenging and that is the information that goes into the HAB website. This is the area where periodic updates are posted. He noted that the final formats on these will be worked on by the committee.

Hass Avocado Leadership Committee (HALC)

Hernandez asked HALC Chair, Van Der Kar, to provide the group with an update on the work the HALC has been doing. Van Der Kar stated that the committee met to discuss the results of a survey the group completed. He also talked about the program modules as presented to the group in the meeting materials. He thanked the committee members for their input and commitment. He then shared the motion presented at their committee meeting and the recommendation for the HAC to approve it as presented in the meeting packet.

MOTION: The Hass Avocado Committee recommends to the Board approval of the Board Leadership Development Program Modules, Participant Criteria, Application and Selection Process and Recruitment plans as presented. (Schaar) Motion Approved

DISCUSSION: Pinkerton congratulated the committee for a great job. There was discussion on how long this program would be. Van Der Kar provided further details how the committee will consider each of the program modules and the participants. He stated that some of the finer points of this program need to be refined. There will continue to be dialogue with the associations to determine the number of participants, and the cost.

DISTRIBUTION LIST OF INTERESTED PARTIES FOR BOARD & COMMITTEE MEETING NOTICE

Hernandez referred the group to page 218 of the packet for a memo outlining a proposal from the Executive Committee to the HAB. He stated that the committee met last Friday and is recommending to the Board approval of the three items listed in the memo. He then entertained the following motion:

MOTION: The Hass Avocado Committee recommends to the Board approval to:

- 1. Cease maintaining a distribution list of interested parties for board and committee meeting notices.*
- 2. Inform all persons on the distribution lists that effective November 1, 2020, HAB will no longer notify them of future meetings via email.*
- 3. In the same notice, provide interested parties with the link to the page on hassavocadoboard.com where all future meeting notices and meeting materials will be posted.*

(Fausset)(one No vote) Motion Approved

DISCUSSION: There was discussion on why or why not the list should remain in effect and if any other associations keep such a list. Escobedo provided background details on the origin of this list and reiterated that USDA and CAC support the above actions.

COUNTRY REPORTS

Hernandez continued with the country reports and asked Restrepo for the Colombia report.

Colombia (CAB)

Restrepo went through his report as presented in the meeting packet and was asked additional questions. Hernandez thanked Restrepo for his report and asked Lloyd for the California Report. It was noted that Malfitano was present but yields the floor to Lloyd to present the California report.

California (CAC)

Lloyd went through his report as presented in the meeting packet. Hernandez thanked Lloyd for his report and asked Covarrubias for the Chile Report.

Chile (CAIA)

Covarrubias went through his report as presented in the meeting packet and was asked additional

questions. Hernandez thanked Covarrubias for his report and asked Rivas for the Mexico report.

Mexico (MHAIA)

Rivas went through his report as presented in the meeting packet. Escobedo noted a couple of items on the report for clarification. Hernandez thanked Ruiz for his report and asked Castro for the Peru report.

Peru (PAC)

Castro went through his report as presented in the meeting packet. Hernandez thanked Castro for his report.

U.S. MARKET REPORT

Hernandez asked the importers in the room to provide a market report. Fausset provided a report on the current market with importers. Crane agreed with Fausset and provided additional information. Mr. Hernandez thanked them for their updates.

NEW BUSINESS

There was no new business.

ADJOURNMENT

Hernandez thanked everyone for their comments and dismissed the group for a 15-minute break. He asked the group to reconvene for the HAB meeting at 12:05 p.m. PST. He then entertained a motion to adjourn the HAC meeting.

MOTION: The Hass Avocado Committee approves adjournment of the September 17, 2020 Hass Avocado Committee meeting. (Van Der Kar) Motion Approved

Hernandez adjourned the meeting at 11:51 a.m.

Respectfully submitted,

Silvia Standke, HAB Executive Assistant

I certify that the above is a true and accurate statement of the September 17, 2020, meeting minutes approved by the Hass Avocado Committee on December 1, 2020.

Jorge Hernandez, Hass Avocado Committee Chairman



Hass Avocado Board
Meeting Minutes

Thursday, September 17, 2020
12:00 p.m.

Via video conference

A meeting of the Hass Avocado Board (HAB) was held via video conference on Thursday, September 17, 2020, at 12:00 p.m., with the following people present:

HAB MEMBERS PRESENT

Jorge Hernandez, Chair
Ben Van Der Kar
Bob Schaar
Charley Wolk
Dave Fausset
Gahl Crane
Jim Donovan
Salvador Dominguez
Scott Bauwens
Sergio Chavez
Susan Pinkerton

HAB MEMBERS ABSENT

Laurie Luschei, Excused

HAB ALTERNATES PRESENT

Aaron Acosta
Dave Billings
Elizabeth Ayala
Jacqueline Solares
Jeff Dickinson
John Cornell
Paul Romero

HAB ALTERNATES ABSENT

CJ Shade, excused
Will Carleton
Jim Swoboda
Jose Antonio Gomez

OFFICIALLY PRESENT

Sue Coleman, USDA

GUESTS PRESENT

Jorge Restrepo, CAB
Patrick Casey, JRG

STAFF PRESENT

Alejandro Gavito, HAB
Emiliano Escobedo, HAB
Gina Widjaja, HAB
John McGuigan, HAB
Nikki Ford, HAB
Robert Rumph, HAB
Silvia Standke, HAB

CALL MEETING TO ORDER

Chairman Hernandez called the Hass Avocado Board (HAB) meeting to order at 12:07 p.m. He proceeded with roll call and established a quorum making a note of the above excused and non-excused committee member absences.

PUBLIC COMMENT

Hernandez continued by opening the floor to public comments. There were no public comments.

CONSENT AGENDA

Hernandez stated that Items A through I are non-controversial items. Most of these have been reviewed by the Finance and Executive Committees and these committees are recommending to the Board their approval. He then asked if there are any items that should be discussed separately. There were no comments and he entertained the following motion:

MOTION: *The Hass Avocado Board approves consent agenda items A through I as presented.*
Item A. February 26, 2020 HAB meeting minutes
Item B. Davis Farr Financial Audit Engagement Letter for Year Ending 2021
Item C. Davis Farr Scope of Work for Handler Audit for Year Ending 2020
Item D. Davis Farr Scope of Work for 2021 HAB Election
Item E. Scope of Work for 2021 JRG Attorneys at Law
Item F. Email & Documentation Retention Policy
Item G. Nomination Procedures
Item H. Accounting and Internal Controls Policy
Item I. 2020 Board Committee & Liaison Roster (CRIC & HALC)
(Dominguez) Motion Approved

2019 FINANCIAL AUDIT REPORT

Hernandez asked Jamie Gardner from Davis Farr to present the results of the 2019 Financial Audit Report. Garner shared her screen and continued with her report on the 2019 audit results. Wolk suggested that the Board should contract a management consultant to look at the structure. Hernandez thanked Garner and recognized Rumph for facilitating the auditors and making sure everything was done properly. He then entertained the following motion:

MOTION: *The Hass Avocado Board approves the 2019 Financial Audit Results as presented. (Schaar) Motion Approved*

HASS AVOCADO COMMITTEE REPORT

Hernandez asked Executive Director Escobedo to proceed with the Hass Avocado Committee Report, who met earlier.

Redactions

Escobedo stated that during the Chairman's report the issue of redactions was discussed and the committee agreed to set this issue aside. It was noted by HAC members that it is time to move on. The group agreed.

2021 Business Plan, Budget and Five-Year Strategic Plan

The committee considered the 2021 Budget, Business Plan And Five-Year Strategic Plan and is recommending its approval to the Board. Several board members asked that HAB provide in the December board meeting a more comprehensive, summarized update on the programs budget. Hernandez stated that he will work with the Executive Committee to look at having executive summaries of the programs and discuss the meeting frequency. Hernandez entertained the following motion:

MOTION: *The Hass Avocado Board approves the 2021 Business Plan, Budget, and Five-Year Strategic Plan, as presented. (Donovan) Motion Approved*

Corporate Governance Committee (CGC)

The Hass Avocado Committee heard a recommendation from the CGC and the committee is recommending the adoption and implementation of the recommendations outlined in the Memo dated 9-17-2020 from the CGC Chair Bauwens to the Board, as the first step towards rebuilding HAB's culture. Hernandez entertained the following motion:

MOTION *The Hass Avocado Board approves the adoption and implementation of the recommendations outlined in the Memo dated 9-17-2020 from the CGC Chair to the Board, as the first step towards rebuilding HAB's culture. (Schaar) Motion Approved*

Country Reports and Information Committee (CRIC)

The Hass Avocado Committee heard a report from CRIC Chairman Donovan. No actions were taken by the committee.

Hass Avocado Leadership Committee (HALC)

The Hass Avocado Committee also heard a report and recommendation from the Hass Avocado Leadership Committee Chairman Van Der Kar and HAC is recommending to the Board approval of the Board Leadership Development Program Modules, Participant Criteria, Application and Selection Process and Recruitment plans as presented. Hernandez entertained the following motion:

MOTION: *The Hass Avocado Board approves the Board Leadership Development Program Modules, Participant Criteria, Application and Selection Process and Recruitment plans as presented. (Fausset) Motion Approved*

Distribution List of Interested Parties for Board & Committee Meeting Notice

The Hass Avocado Committee considered a proposal from the Executive Committee regarding the distribution list of interested parties for board & committee meeting notices and is recommending to the Board the approval of three steps outlined on page 218 of the packet. Hernandez entertained the following motion:

MOTION: *The Hass Avocado Board approves to:*

- 1. Cease maintaining a distribution list of interested parties for board and committee meeting notices.*
- 2. Inform all persons on the distribution lists that effective November 1, 2020, HAB will no longer notify them of future meetings via email.*
- 3. In the same notice, provide interested parties with the link to the page on hassavocadoboard.com where all future meeting notices and meeting materials will be posted.*

(Schaar) Motion Approved, One member voted No.

Country Reports

The HAC heard country and market reports. There was no new business brought before the HAC.

NEW BUSINESS

No new business

ADJOURN

Chair Hernandez asked for a motion to adjourn the meeting.

*MOTION: The Hass Avocado Board approves the adjournment of the September 17, 2020 meeting.
(Pinkerton) Motion Adopted*

Chair Hernandez adjourned the meeting at 12:26 p.m. PST.

Respectfully submitted,

Silvia Standke, HAB Executive Assistant

I certify that the above is a true and accurate statement of the September 17, 2020, meeting minutes approved by the Hass Avocado Board on , 2020.

Ben Van Der Kar, HAB Secretary

Need BOARD approval



Memorandum

DATE: December 1, 2020
FROM: Robert Rumph
TO: HAB and HAC Members
SUBJECT: Accounting and Internal Controls Policy Update

HAB Staff is recommending amending the Accounting and Internal Controls Policies and Procedures in the following manner:

CURRENT TEXT

4.06 CONTRACT AND PURCHASE ORDER (PO) NUMBERING

Contracts will be numbered sequentially with a leading “C” for (“contract”) and the respective fiscal year followed by a dash and a three digit number (e.g. C2017-001). Purchase Orders will be numbered sequentially with a leading “PO” for “purchase order” and the respective fiscal year followed by a dash and a four digit number (e.g. PO2017-0001).

PROPOSED TEXT

4.06 CONTRACT AND PURCHASE ORDER (PO) NUMBERING

Contracts will be numbered sequentially with a leading “C” for (“contract”) and the respective fiscal year followed by a dash and a four digit number (e.g. C2017-0001). Corresponding Purchase Orders will be numbered sequentially with a leading “PO” for “purchase order” and the respective fiscal year followed by a dash and a four digit number that corresponds to the Contracts number (e.g. PO2017-0001). The Purchase Order “PO” number and Contract “C” (XXXX-0001) number sequence will match for purchase orders that have corresponding contracts.

This minor change will help staff file and store these records more efficiently for audits and management reviews.



**2019 - 2020 Hass Avocado
Committee Meeting
Attendance Tracking Sheet**

Chairperson: Jorge Hernandez "P" Present "A" Absent "X" Excused Absent

TOTAL NUMBER OF MEETINGS **3**

MEMBER NAME	11/7/2019	2/26/2020	9/17/2020	% Absent
Laurie Luschei	P	P	X	0%
<i>Alternate/Jeff Dickinson</i>	P	P	p	0%
Ben Van Der Kar	P	P	p	0%
<i>Alternate/CJ Shade</i>	P	P	X	0%
Susan Pinkerton	P	P	p	0%
<i>Alternate/Will Carleton</i>	P	P	p	0%
Scott Bauwens	P	P	p	0%
<i>Alternate/Paul Romero</i>	X	P	p	0%
Charley Wolk	P	P	p	0%
<i>Alternate/vacant</i>				0%
Sal Dominguez	P	P	p	0%
<i>Alternate/Jim Swoboda</i>	P	P	p	0%
Bob Schaar	P	P	p	0%
<i>Alternate/John Cornell</i>	P	P	p	0%

MEMBER NAME	11/7/2019	2/26/2020	9/17/2020	% Absent
Sergio Chavez	P	P	P	0%
<i>Alternate/Jose Antonio Gomez</i>	P	X	X	0%
Jorge Hernandez	P	P	P	0%
<i>Alternate/Dave Billings</i>	P	P	P	0%
Gahl Crane	P	P	P	0%
<i>Alternate/Aaron Acosta</i>	X	P	P	0%
David Fausset	P	P	P	0%
<i>Alternate/Elizabeth Ayala</i>	P	P	P	0%
Jim Donovan	P	P	P	0%
<i>Alternate/Jacqueline Solares</i>	P	P	P	0%
Daniella Malfitano - CAC	X	X	P	0%
<i>Alternate/John Lloyd-Butler</i>	P	P	P	0%
David Ruiz - MHAIA	X	P	X	0%
<i>Alternate/Jaime Rivas Campbell</i>	P	P	P	0%
Jorge Covarrubias - CAIA	X	P	P	0%
<i>Alternate/Patrick Lucy</i>	X	X	A	33%
Jose Antonio Castro - PAC	P	X	P	0%
<i>Alternate/Giovanni Cavaletto</i>	A	A	A	100%
Jorge Restrepo - CAB			P	0%
<i>Alternate/Ricardo Uribe</i>			X	0%



2019 - 2020 Hass Avocado Board Meeting Attendance Tracking Sheet

Chairperson: Jorge Hernandez "P" Present "A" Absent "X" Excused Absent

TOTAL NUMBER OF MEETINGS 4

MEMBER NAME	11/7/2019	2/26/2020	9/16/2020	9/17/2020	% Absent
Laurie Luschei	P	P	P	X	0%
<i>Alternate/Jeff Dickinson</i>	P	P	A	P	25%
Ben Van Der Kar	P	P	P	P	0%
<i>Alternate/CJ Shade</i>	P	P	X	X	0%
Susan Pinkerton	P	P	P	P	0%
<i>Alternate/Will Carleton</i>	P	P	P	A	25%
Scott Bauwens	P	P	X	P	0%
<i>Alternate/Paul Romero</i>	X	P	A	P	25%
Charley Wolk	P	P	P	P	0%
<i>Alternate/vacant</i>					0%
Sal Dominguez	P	P	P	P	0%
<i>Alternate/Jim Swoboda</i>	P	P	P	A	25%
Bob Schaar	P	P	P	P	0%
<i>Alternate/John Cornell</i>	P	P	P	P	0%

MEMBER NAME	11/7/2019	2/26/2020	9/16/2020	9/17/2020	% Absent
Sergio Chavez	P	P	P	P	0%
<i>Alternate/Jose Antonio Gomez</i>	P	X	P	A	25%
Jorge Hernandez	P	P	P	P	0%
<i>Alternate/Dave Billings</i>	P	P	P	P	0%
Gahl Crane	P	P	P	P	0%
<i>Alternate/Aaron Acosta</i>	X	P	P	P	0%
David Fausset	P	P	P	P	0%
<i>Alternate/Elizabeth Ayala</i>	P	P	P	P	0%
Jim Donovan	P	P	P	P	0%
<i>Alternate/Jacqueline Solares</i>	P	P	P	P	0%



2020 Executive Committee Meeting Attendance Tracking Sheet

"P" Present "A" Absent "X" Excused Absent

TOTAL NUMBER OF MEETINGS

2

MEMBER NAME	2/10/2020	9/11/2020	% Absent
Jorge Hernandez, Chair	P	P	
Sal Dominguez	P	P	
Ben Van Der Kar	P	P	
Dave Fausset	P	P	



2020 Finance Committee Meeting Attendance Tracking Sheet

"P" Present "A" Absent "X" Excused Absent

TOTAL NUMBER OF MEETINGS

3

MEMBER NAME	2/25/2020	5/13/2020	9/14/2020	% Absent
Dave Fausset, Chair	P	P	P	0%
Bob Schaar	P	P	P	0%
Dave Billings	P	P	P	0%
Charley Wolk	P	P	P	0%
Jeff Dickinson	P	P	P	0%
Susan Pinkerton	P	P	P	0%
Jim Donovan	P	P	P	0%



2020 Corporate Governance Committee Meeting Attendance Tracking Sheet

"P" Present "A" Absent X Excused Absent
 TOTAL NUMBER OF MEETINGS 2

MEMBER NAME	5/7/2020	9/3/2020	% Absent
Scott Bauwens, Chair	P	P	0%
Ben Van Der Kar	P	P	0%
CJ Shade	X	P	0%
Gahl Crane	P	P	0%
Aaron Acosta	P	P	0%
Sal Dominguez	P	P	0%
Sergio Chavez	P	P	0%



2020 Executive Compensation Committee Meeting Attendance Tracking Sheet

"P" Present "A" Absent X Excused Absent

TOTAL NUMBER OF MEETINGS 1

MEMBER NAME	8/28/2020	% Absent
Jorge Hernandez, Chair	p	0%
Dave Fausset	p	0%
Jim Donovan	p	0%
Laurie Luschei	P	0%
Scott Bauwens	P	0%



2020 Global Data Committee Meeting Attendance Tracking Sheet

"P" Present "A" Absent "X" Excused Absent

TOTAL NUMBER OF MEETINGS

NO MEETINGS THIS YEAR

MEMBER NAME	% Absent
Rob Wedin, Chair	
Alfredo Rodriguez	
Chris Henry	
David Ruiz	
Debbie Willmann	
Jose Antonio Castro	
Josue Avila	
Randy Shoup	



2020 Hass Avocado Leadership Committee (HALC) Meeting Attendance Tracking Sheet

"P" Present "A" Absent X Excused Absent

TOTAL NUMBER OF MEETINGS

3

MEMBER NAME	6/17/2020	9/10/2020	11/20/2020	% Absent
Ben Van Der Kar, Chair	P	P	P	0%
John Lloyd Butler, CAC	P	P	P	0%
Rigo Perez, CAIA	P	P	P	0%
Gerardo Huerta, CAB	X	P	P	0%
Gary Caloroso, MHAIA	P	P	P	0%
Giovanni Cavaletto, PAC	P	P	P	0%



**2020 Country Reports and
Information Committee (CRIC)
Meeting
Attendance Tracking Sheet**

"P" Present "A" Absent X Excused Absent

TOTAL NUMBER OF MEETINGS

1

MEMBER NAME	7/8/2020	% Absent
Jim Donovan, Chair	P	0%
John Lloyd-Butler - CAC	P	0%
Jorge Covarrubias - CAIA	P	0%
Jorge Restrepo - CAB	P	0%
David Ruiz - MHAIA	P	0%
Jose Antonio Castro - PAC	P	0%



MEMORANDUM

DATE: December 1, 2020
TO: HAB
FROM: Robert M. Rumph
SUBJECT: Finance / Administration Report

FINANCIAL REPORT

Nine Months Ending September 30, 2020

HAB revenues = \$50.0 M dollars — up \$2.9 M from the same period prior year amount of \$47.1 M.

HAB net revenues = \$8.4 M dollars — up \$0.8 M from the same period prior year amount of \$7.6 M.

HAB reserves as of September 30, 2020 = \$4.2 M up \$2.0 M from the \$2.2 M December 2019 ending amount.

Schedule of Cash & Investments as of September 30, 2020

Cash in bank — checking account = \$3,411,487
TOTAL CASH and INVESTMENTS = \$3,411,487

Statement of Net Assets, Revenue, and Expenditures as of September 30, 2020

Total assets \$8,902,410
Total liabilities = \$4,710,722
Total net assets = \$4,191,688
Total revenues = \$49,981,565
Total expenditures = \$47,952,030
YTD excess revenues over/(under) expenditures = \$2,029,535



MEMORANDUM

DATE 12-1-2020
TO: HAC and HAB
SUBJECT: Performance Evaluation and Compensation
of the Executive Director – Policy and
Procedures

During the most recent performance evaluation of the Executive Director, the Executive Compensation Committee discussed the need to improve HAB's current policy and, more specifically, change the process for evaluating the Executive Director's compensation. The committee can enhance this process by contracting a third-party executive compensation specialist to provide insight and analysis into labor markets every other year. Doing so would ensure that the Board's decision, when setting compensation, is better informed and substantiated.

The Executive Compensation Committee, in conjunction with the Executive Committee, would like to work on revising the current policy and procedures for the Board's consideration and approval early next year.

2021 Proposed Meeting Schedule

Meeting Date and Location	February 23 & 24 HAC & HAB Virtual Meeting	May 25 HAC & HAB Virtual Meeting	May 26 Governance Workshop Virtual Meeting	September 20 HAC & HAB TBD In-person /Virtual Meeting	December 1 & 2 HAC & HAB TBD In-person /Virtual Meeting
Context for Meeting	First meeting of the year Outline board priorities for the year	Planning meeting for 2022 2020 Audit results	Governance workshop Review Board self-assessment	Approval of 2022 Business Plan	Annual Meeting Elections and New Board Members
Consent Agenda	Approval of Minutes HAB Committee Roster	Approval of Minutes	Approval of Minutes	Approval of Minutes Attendance Report	Approval of Minutes
Fiduciary & Governance Actions	2020 and 2021 Finance reports Review reserve analysis Approve rules of engagement for meetings Performance Evaluation and Compensation of Executive Director Policy	2020 Financial Audit Results 2021 Finance reports Review board meeting evaluations	Review rules of engagement for meetings; self assessment; board meeting evaluations.	2021 Finance reports Approve 2022 Budget Executive Director Annual Review Approve Auditor for 2022	Approval of 2022 Meeting Schedule 2021 Finance reports
Strategy & Business Plan	Review strategic plan dashboard Long term nutrition research strategy	Review strategic plan dashboard Nutrition research transparency policy Avocado Sustainability Center framework 2022 Planning budget parameters		Review strategic plan dashboard Approve the 2022 Business Plan Approve Avocado Sustainability Center framework	Review strategic plan dashboard Review year end business plan results
Industry Discussions	Country and market reports Volume updates	Country and market reports Volume updates		Country and market reports Volume updates	Country and market reports Volume updates

VISION: FRESH HASS AVOCADOS WILL BE AMERICA'S MOST POPULAR AND DESIRED FRUIT BY 2025. THE AVERAGE ANNUAL INCREASE IN THE VALUE OF THE FRUIT CONSUMED ON A PER PERSON BASIS IN THE U.S. WILL BE 6%.

MISSION: HAB STRENGTHENS THE GLOBAL AVOCADO INDUSTRY AND ITS STAKEHOLDERS IN OUR COLLECTIVE EFFORTS TOWARD MARKET DEVELOPMENT IN THE U.S. THROUGH LEADERSHIP IN NUTRITION, COMMUNICATIONS, BUSINESS SUPPORT TOOLS AND INFORMATION, AND SUSTAINABILITY PRACTICES THROUGHOUT THE SUPPLY CHAIN.

HASS AVOCADO BOARD

2020 RESERVE ANALYSIS AND 2021 TRANSITION ANALYSIS

	2020		
	BUDGET# A2	BUDGET# A3	Variance
VOLUME (LBS.)	2,750,000,000	2,654,000,000	(96,000,000)
ACTUAL BEGINNING RESERVES	\$ 2,162,153	\$ 2,162,153	\$ -
REVENUE	\$ 68,750,000	\$ 66,350,000	\$ (2,400,000)
REBATES	\$ 58,437,500	\$ 56,397,500	\$ (2,040,000)
EXPENSES	\$ 10,633,962	\$ 8,884,518	\$ (1,749,444)
EXCESS REVENUE OVER/(UNDER) EXPENSES	\$ (321,462)	\$ 1,067,982	\$ 1,389,444
ESTIMATED ENDING RESERVES	\$ 1,840,691	\$ 3,230,135	\$ 1,389,444

	2021		
	BUDGET #I	BUDGET# AI	Variance
VOLUME (LBS.)	2,700,000,000	2,700,000,000	-
ESTIMATED BEGINNING RESERVES	\$ 1,840,691	\$ 3,230,135	\$ 1,389,444
REVENUE	\$ 67,500,000	\$ 67,500,000	\$ -
REBATES	\$ 57,375,000	\$ 57,375,000	\$ -
EXPENSES	\$ 9,680,775	\$ 11,130,775	\$ 1,450,000
EXCESS REVENUE OVER/(UNDER) EXPENSES	\$ 444,225	\$ (1,005,775)	\$ (1,450,000)
ESTIMATED ENDING RESERVES	\$ 2,284,916	\$ 2,224,360	\$ (60,556)



MEMORANDUM

FROM: Emiliano Escobedo
 TO: Board
 SUBJECT: 2021 Budget Amendment #1
 DATE: December 1, 2020

Staff is proposing amending the 2021 budget by increasing beginning reserves by \$1,389,444 and increasing total expenditures by \$1,450,000. Please refer to the 2021 budget included in the meeting packet for total budget variance, and please see below for details of proposed expenditures by program area.

NUTRITION RESEARCH

An additional budget of \$275,000 will be used to support existing research commitments and develop new content to support nutrition marketing efforts in 2021.

- **Science Pipeline:** Research payments are made when milestones are achieved. Due to COVID-19, two research sites did not reach the expected payment milestones in 2020. Payments for MB Clinical Biosciences and Tufts University were moved from 2020 to 2021.
- **Strategies, Issues, Radar, and Reporting:** In preparation for the release of the first federal dietary recommendations for infants and toddlers, we will conduct an updated survey on caregivers and conduct qualitative interviews with the target audiences to support nutrition marketing efforts in 2021. Additionally, interviews will be conducted with school food service experts and we will do outreach to better understand the use and purchasing of avocados in schools and daycares.

Key Project	Original 2021 Budget	2021 Budget Amendment #1	Variance
Science Pipeline	\$2,032,750.00	\$2,249,910.00	\$217,160.00
SIRR	\$204,250.00	\$262,090.00	\$57,840.00
TOTAL	\$2,237,00	\$2,512,000	\$275,000

NUTRITION MARKETING

An incremental budget of \$1,100,000 will be used towards promoting the avocado nutrition research and health benefit messages to targeted health professionals (HP), general market (GM), and Hispanic market (HM) consumers as follows:

- **Creative Content:** Ads will be created for GM and HM consumers. Educational resources will be created for HP and their clients/consumers in the areas of type 2 diabetes and meal/nutrition tips for caregivers. A new video will be produced to promote avocado

nutrition basics across all of our health pillars. The video will include recipes featuring the 15th anniversary of the avocado toast.

- **Nutrition & Research Promotion:** Media channels will be added to our advertising buy to target GM and HM consumers with our nutrition campaign. We will also increase the opportunities for HPs to earn Continuing Education Units (CEU) through HAB hosted webinars focusing on all of the avocado health pillars. We will partner with the USDA Child and Adult Care Food Program (CACFP) and provide them with nutrition education and resources for caregivers. Lastly, we will partner with a Dietary Practice Group from the Academy of Nutrition and Dietetics to host an avocado recipe contest with the goal of promoting avocado nutrition information and usage with key registered dietitians.
- **Strategic Partnership:** We are proposing to bringing back a collaboration with AltaMed as a means for reaching out to HPs and HM consumers that are seeking and providing health and nutrition information. AltaMed is the nation’s largest federally qualified health center providing care to more than 300,000 Southern California residents. This partnership was originally planned for 2020 but had to be cancelled due to the COVID-19 pandemic.
- **Strategy Issues Radar & Reporting:** The amendment would add a new tool for us to be able to monitor consumer trends in order to be able to report progress on the 2025 vision.
- **Online/Website/Social Media:** The pandemic has brought forward new opportunities in the space of e-commerce. The proposed amendment would be used to contract with a consultant to help us explore opportunities in that space. We will also need to manage changes to Google Analytics 4, a new version of the tool we use to track and measure website usage activity and goals.

Key Project	Original 2021 Budget	2021 Budget Amendment #1	Variance
Program Management	\$47,500	\$60,500	\$13,000
Creative Content	\$225,600	\$348,050	\$122,450
Nutrition & Research Promotion	\$1,420,800	\$2,227,350	\$806,550
Strategy Issues Radar & Reporting	\$200,100	\$213,100	\$13,000
Strategic Partnership	\$90,000	\$175,000	\$85,000
Online/Website/Social Media	\$340,000	\$400,000	\$60,000
TOTAL	\$2,324,000	\$3,424,000	\$1,100,000

BUSINESS SUPPORT TOOLS AND INFORMATION

An additional budget of \$10,000 is requested to be used to support moving the existing Handler Assessment System, AVIS, and Organic Claims Systems to the Microsoft Azure cloud environment. This will provide enhanced security, performance, and continuity of systems in 2021.

Key Project	Original 2021 Budget	2021 Budget Amendment #1	Variance
AVIS	\$54,000	\$64,000	\$10,000
TOTAL	\$54,000	\$64,000	\$10,000



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2020 BUDGET**

	CY 2020 BUDGET AMENDMENT #2 2/26/2020	CY 2020 BUDGET AMENDMENT #3 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
REVENUES:				
ASSESSMENT REVENUES	\$68,750,000	\$66,350,000	(\$2,400,000)	-3.49%
OTHER INCOME	\$0	\$0	\$0	0.00%
TOTAL REVENUES	\$68,750,000	\$66,350,000	(\$2,400,000)	-3.49%
85% REBATE PROGRAM				
REBATES	\$58,437,500	\$56,397,500	(\$2,040,000)	-3.49%
REBATE SUB-TOTAL	\$58,437,500	\$56,397,500	(\$2,040,000)	-3.49%
NET REVENUE	10,312,500	9,952,500	(360,000)	-3.49%
PROMOTION, RESEARCH, AND INFORMATION PROGRAMS				
NUTRITION MARKETING	\$3,843,525	\$3,460,060	(\$383,465)	-9.98%
TARGET AUDIENCE RESEARCH	\$165,000	\$117,000	(\$48,000)	-29.09%
NUTRITION RESEARCH	\$2,899,511	\$2,143,675	(\$755,836)	-26.07%
NUTRITION AFFAIRS	\$249,200	\$303,126	\$53,926	21.64%
SUPPLY AND DEMAND INFORMATION	\$716,437	\$676,073	(\$40,364)	-5.63%
INDUSTRY ENGAGEMENT	\$924,967	\$664,667	(\$260,300)	-28.14%
QUALITY	\$32,834	\$32,834	\$0	0.00%
SUSTAINABILITY	\$250,515	\$170,515	(\$80,000)	-31.93%
PROMOTION, RESEARCH, AND INFORMATION PROGRAMS SUBTOTAL	\$9,081,988	\$7,567,949	(\$1,514,039)	-16.67%
PROGRAM IMPLEMENTATION FEE				
PROGRAM IMPLEMENTATION FEE	\$1,000	\$0	(\$1,000)	-100.00%
PROGRAM IMPLEMENTATION FEE SUB-TOTAL	\$1,000	\$0	(\$1,000)	-100.00%
TOTAL PROMOTION, RESEARCH, AND INFORMATION PROGRAMS	\$9,082,988	\$7,567,949	(\$1,515,039)	-16.68%
ADMINISTRATION OF HAPRIO				
BOARD MEMBERS, OFFICE, STAFF, PROFESSIONAL SERVICES, EQUIPMENT/SUPPLIES	\$1,317,887	\$1,083,481	(\$234,406)	-17.79%
ADMINISTRATION OF HAPRIO SUB-TOTAL	\$1,317,887	\$1,083,481	(\$234,406)	-17.79%
OVERSIGHT				
USDA/OGC/PROGRAM REVIEW	\$233,087	\$233,087	\$0	0.00%
OVERSIGHT SUB-TOTAL	\$233,087	\$233,087	\$0	0.00%
TOTAL EXPENDITURES	\$69,071,462	\$65,282,018	(\$3,789,445)	-5.49%
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(\$321,462)	\$1,067,982	\$1,389,445	-432.23%
EST/BEGINNING RESERVES	\$2,162,153	\$2,162,153	\$0	0.00%
EST ENDING RESERVES	\$1,840,691	\$3,230,135	\$1,389,445	75.48%
SALARIES AND BENEFITS (ALLOCATED IN ADMINISTRATION AND PROGRAMS ABOVE)	\$ 2,336,162	\$ 2,336,162	(\$0)	0.00%



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2020 BUDGET**

EXPENSES	CY 2020 BUDGET AMENDMENT #2 2/26/2020	CY 2020 BUDGET AMENDMENT #3 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
REBATE PROGRAM	<u>\$58,437,500</u>	<u>\$56,397,500</u>	<u>(\$2,040,000)</u>	<u>-3.49%</u>
NUTRITION MARKETING				
PROGRAM MANAGEMENT	\$724,025	\$706,359	(\$17,666)	-2.44%
MESSAGE TESTING AND APPROVAL	\$30,000	\$0	(\$30,000)	-100.00%
CREATIVE CONTENT	\$420,700	\$401,145	(\$19,555)	-4.65%
EVENTS	\$100,000	\$24,131	(\$75,869)	-75.87%
ONLINE/WEBSITE/SOCIAL MEDIA	\$275,000	\$308,000	\$33,000	12.00%
NUTRITION AND RESEARCH PROMOTION	\$1,844,700	\$1,753,094	(\$91,606)	-4.97%
STRATEGIC PARTNERSHIPS	\$228,200	\$45,891	(\$182,309)	-79.89%
STRATEGY, ISSUES RADAR AND REPORTING	\$220,900	\$221,440	\$540	0.24%
NUTRITION MARKETING PROGRAM SUB-TOTAL	<u>\$3,843,525</u>	<u>\$3,460,060</u>	<u>(\$383,465)</u>	<u>-9.98%</u>
TARGET AUDIENCE RESEARCH				
RESEARCH INSIGHTS AND TRACKING	\$165,000	\$0	(\$165,000)	-100.00%
TARGET AUDIENCE RESEARCH PROGRAM SUB-TOTAL	<u>\$165,000</u>	<u>\$117,000</u>	<u>(\$48,000)</u>	<u>-29.09%</u>
NUTRITION RESEARCH				
PROGRAM MANAGEMENT	\$301,642	\$291,160	(\$10,482)	-3.47%
SCIENCE PIPELINE	\$2,597,869	\$1,852,515	(\$745,354)	-28.69%
NUTRITION RESEARCH PROGRAM SUB-TOTAL	<u>\$2,899,511</u>	<u>\$2,143,675</u>	<u>(\$755,836)</u>	<u>-26.07%</u>
NUTRITION AFFAIRS				
EVENTS	\$89,200	\$115,213	\$26,013	29.16%
STRATEGY, ISSUES RADAR AND REPORTING	\$160,000	\$187,913	\$27,913	17.45%
NUTRITION AFFAIRS PROGRAM SUB-TOTAL	<u>\$249,200</u>	<u>\$303,126</u>	<u>\$53,926</u>	<u>21.64%</u>
SUPPLY AND DEMAND INFORMATION				
PROGRAM MANAGEMENT	\$295,337	\$295,337	\$0	
COMMUNICATIONS	\$138,000	\$125,000	(\$13,000)	-9.42%
DATA SERVICES	\$116,100	\$121,236	\$5,136	4.42%
AVIS	\$59,000	\$39,000	(\$20,000)	-33.90%
TRACK AND MONITOR	\$68,000	\$70,500	\$2,500	3.68%
RESEARCH AND INFORMATION	\$40,000	\$25,000	(\$15,000)	0.00%
SUPPLY AND DEMAND INFORMATION PROGRAM SUB-TOTAL	<u>\$716,437</u>	<u>\$676,073</u>	<u>(\$40,364)</u>	<u>-5.63%</u>



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2020 BUDGET**

	CY 2020 BUDGET AMENDMENT #2 2/26/2020	CY 2020 BUDGET AMENDMENT #3 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
INDUSTRY ENGAGEMENT				
PROGRAM MANAGEMENT	\$481,967	\$481,967	\$0	0.00%
ANNUAL REPORT	\$6,000	\$6,000	\$0	0.00%
HAB PROMOTIONAL MATERIALS	\$6,000	\$6,000	\$0	0.00%
INDUSTRY MEETINGS AND EVENTS	\$163,000	\$40,500	(\$122,500)	-75.15%
INDUSTRY WEBSITE	\$46,000	\$51,200	\$5,200	11.30%
OUTREACH	\$42,000	\$15,000	(\$27,000)	-64.29%
COMMUNICATIONS	\$180,000	\$64,000	(\$116,000)	-64.44%
INDUSTRY ENGAGEMENT PROGRAM SUB-TOTAL	\$924,967	\$ 664,667	(\$260,300)	-28.14%
SUSTAINABILITY				
PROGRAM MANAGEMENT	\$50,515	\$50,515	\$0	-40.00%
STRATEGY AND DEVELOPMENT	\$200,000	\$120,000	(\$80,000)	-58.97%
SUSTAINABILITY PROGRAM SUB-TOTAL	\$250,515	\$170,515	(\$80,000)	-31.93%
QUALITY				
PROGRAM MANAGEMENT	\$22,834	\$22,834	\$0	0.00%
RESEARCH AND INFORMATION	\$10,000	\$10,000	\$0	-94.64%
QUALITY PROGRAM SUB-TOTAL	\$32,834	\$32,834	\$0	0.00%
PROGRAM IMPLEMENTATION FEE				
PROGRAM IMPLEMENTATION FEE	\$1,000	\$0	(\$1,000)	-100.00%
PROGRAM IMPLEMENTATION FEE SUB-TOTAL	\$1,000	\$0	(\$1,000)	-100.00%
ADMINISTRATION OF HAPRIO				
FINANCIAL OVERSIGHT - AUDITING	\$70,000	\$57,912	(\$12,088)	-17.27%
BOARD: TRAVEL, MEETINGS, ELECTIONS	\$238,000	\$97,660	(\$140,340)	-58.97%
OFFICE RELATED (RENT, NETWORK, COMMUNICATIONS, & EQUIPMENT/SUPPLIES)	\$212,324	\$231,049	\$18,725	8.82%
PROFESSIONAL SERVICES AND CONSULTING	\$22,200	\$21,568	(\$632)	-2.85%
LEGAL SERVICES	\$72,000	\$42,311	(\$29,689)	
CORPORATE INSURANCE	\$58,020	\$58,020	\$0	0.00%
SALARIES/WAGES/BENEFITS	\$575,343	\$570,343	(\$5,000)	-0.87%
EDUCATION, TRAINING, CONFERENCES, SEMINARS	\$20,000	\$1,940	(\$18,060)	-90.30%
CORPORATE GOVERNANCE	\$50,000	\$2,678	(\$47,322)	0.00%
ADMINISTRATION OF HAPRIO EXPENSES SUB-TOTAL	\$1,317,887	\$1,083,481	(\$234,406)	-17.79%
USDA OVERSIGHT				
USDA USER FEE	\$233,087	\$233,087	\$0	0.00%
PROGRAM REVIEW	\$0	\$0	\$0	0.00%
OFFICE OF GENERAL COUNSEL (OGC)	\$0	\$0	\$0	0.00%
USDA OVERSIGHT SUB-TOTAL	\$233,087	\$233,087	\$0	0.00%



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2021 BUDGET**

	CY 2021 BUDGET ORIGINAL 9/17/2020	CY 2021 BUDGET AMENDMENT #1 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
REVENUES:				
ASSESSMENT REVENUES	\$67,500,000	\$67,500,000	\$0	0.00%
OTHER INCOME	\$0	\$0	\$0	0.00%
TOTAL REVENUES	\$67,500,000	\$67,500,000	\$0	0.00%
85% REBATE PROGRAM				
REBATES	\$57,375,000	\$57,375,000	\$0	0.00%
REBATE SUB-TOTAL	\$57,375,000	\$57,375,000	\$0	0.00%
NET REVENUE	10,125,000	10,125,000	0	0.00%
PROMOTION, RESEARCH, AND INFORMATION PROGRAMS				
COMMUNICATIONS	\$3,164,319	\$4,264,319	\$1,100,000	34.76%
NUTRITION	\$2,759,222	\$3,099,222	\$340,000	12.32%
BUSINESS SUPPORT TOOLS AND INFORMATION	\$851,229	\$861,229	\$10,000	1.17%
INDUSTRY ENGAGEMENT AND LEADERSHIP	\$854,068	\$854,068	\$0	0.00%
SUSTAINABILITY	\$470,023	\$470,023	\$0	0.00%
PROMOTION, RESEARCH, AND INFORMATION PROGRAMS SUBTOTAL	\$8,098,860	\$9,548,860	\$1,450,000	17.90%
IMPLEMENTATION	\$0	\$0	\$0	0.00%
ADMINISTRATION OF HAPRIO				
BOARD MEMBERS, OFFICE, STAFF, PROFESSIONAL SERVICES, EQUIPMENT/SUPPLIES	\$1,344,315	\$1,344,315	\$0	0.00%
ADMINISTRATION OF HAPRIO SUB-TOTAL	\$1,344,315	\$1,344,315	\$0	0.00%
OVERSIGHT				
USDA/OGC/PROGRAM REVIEW	\$237,600	\$237,600	\$0	0.00%
OVERSIGHT SUB-TOTAL	\$237,600	\$237,600	\$0	0.00%
TOTAL EXPENDITURES	\$67,055,775	\$68,505,775	\$1,450,000	2.16%
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$444,225	(\$1,005,775)	(\$1,450,000)	-326.41%
EST/BEGINNING RESERVES	\$1,840,691	\$3,230,135	\$1,389,444	75.48%
EST ENDING RESERVES	\$2,284,916	\$2,224,360	(\$60,556)	-2.65%
SALARIES AND BENEFITS (ALLOCATED IN ADMINISTRATION AND PROGRAMS ABOVE)	\$ 2,696,558	\$ 2,696,558	\$0	0.00%



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2021 BUDGET**

EXPENSES	CY 2021 BUDGET ORIGINAL 9/17/2020	CY 2021 AMENDMENT #1 BUDGET 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
REBATE PROGRAM	\$57,375,000	\$57,375,000	\$0	0.00%
COMMUNICATIONS				
PROGRAM MANAGEMENT	\$750,819	\$763,819	\$13,000	1.73%
MESSAGE TESTING AND APPROVAL	\$0	\$0	\$0	0.00%
CREATIVE CONTENT	\$303,600	\$426,050	\$122,450	40.33%
EVENTS	\$13,000	\$13,000	\$0	0.00%
ONLINE/WEBSITE/SOCIAL MEDIA	\$340,000	\$400,000	\$60,000	17.65%
NUTRITION AND RESEARCH PROMOTION	\$1,420,800	\$2,227,350	\$806,550	56.77%
STRATEGIC PARTNERSHIPS	\$110,000	\$195,000	\$85,000	77.27%
STRATEGY, ISSUES RADAR AND REPORTING	\$226,100	\$239,100	\$13,000	5.75%
NUTRITION MARKETING PROGRAM SUB-TOTAL	\$3,164,319	\$4,264,319	\$1,100,000	34.76%
NUTRITION				
PROGRAM MANAGEMENT	\$504,222	\$504,222	\$0	0.00%
SCIENCE PIPELINE	\$2,032,750	\$2,314,910	\$282,160	13.88%
EVENTS	\$18,000	\$18,000	\$0	0.00%
STRATEGY, ISSUES RADAR AND REPORTING	\$204,250	\$262,090	\$57,840	28.32%
NUTRITION RESEARCH PROGRAM SUB-TOTAL	\$2,759,222	\$3,099,222	\$340,000	12.32%
BUSINESS SUPPORT TOOLS AND INFORMATION				
PROGRAM MANAGEMENT	\$297,029	\$ 297,029	\$0	
COMMUNICATIONS	\$44,670	\$44,670	\$0	0.00%
DATA SERVICES	\$113,200	\$113,200	\$0	0.00%
AVIS	\$54,000	\$64,000	\$10,000	18.52%
TRACK AND MONITOR	\$88,200	\$88,200	\$0	0.00%
RESEARCH AND INFORMATION	\$25,000	\$25,000	\$0	0.00%
CONSUMER INSIGHTS AND TRACKING STUDIES	\$229,130	\$229,130	\$0	0.00%
QUALITY	\$0	\$0	\$0	0.00%
SUPPLY AND DEMAND INFORMATION PROGRAM SUB-TOTAL	\$ 851,229	\$ 861,229	\$ 10,000	1.17%



**HASS AVOCADO BOARD
 CALENDAR YEAR (CY) 2021 BUDGET**

	CY 2021 BUDGET ORIGINAL 9/17/2020	CY 2021 AMENDMENT #1 BUDGET 12/1/2020	VARIANCE INCREASE/ (DECREASE)	PERCENT CHANGE
INDUSTRY ENGAGEMENT AND LEADERSHIP				
PROGRAM MANAGEMENT	\$491,868	\$491,868	\$0	0.00%
ANNUAL REPORT	\$6,000	\$6,000	\$0	0.00%
HAB PROMOTIONAL MATERIALS	\$6,000	\$6,000	\$0	0.00%
INDUSTRY MEETINGS AND EVENTS	\$15,000	\$15,000	\$0	0.00%
INDUSTRY WEBSITE	\$82,500	\$82,500	\$0	0.00%
OUTREACH	\$15,000	\$15,000	\$0	0.00%
COMMUNICATIONS	\$207,700	\$207,700	\$0	0.00%
BOARD LEADERSHIP DEVELOPMENT	\$30,000	\$30,000	\$0	0.00%
INDUSTRY ENGAGEMENT PROGRAM SUB-TOTAL	\$854,068	\$854,068	\$0	0.00%
SUSTAINABILITY				
PROGRAM MANAGEMENT	\$170,023	\$170,023	\$0	0.00%
STRATEGY	\$200,000	\$200,000	\$0	0.00%
RESEARCH	\$100,000	\$100,000	\$0	0.00%
SUSTAINABILITY PROGRAM SUB-TOTAL	\$470,023	\$470,023	\$0	0.00%
ADMINISTRATION OF HAPRIO				
FINANCIAL OVERSIGHT - AUDITING	\$50,000	\$50,000	\$0	0.00%
BOARD: TRAVEL, MEETINGS, ELECTIONS	\$245,000	\$245,000	\$0	0.00%
OFFICE RELATED (RENT, NETWORK, COMMUNICATIONS, EQUIPMENT, SUPPLIES, & SERVICES)	\$233,417	\$233,417	\$0	0.00%
PROFESSIONAL SERVICES AND CONSULTING	\$22,800	\$22,800	\$0	0.00%
LEGAL SERVICES	\$72,000	\$72,000	\$0	0.00%
CORPORATE INSURANCE	\$62,000	\$62,000	\$0	0.00%
SALARIES/WAGES/BENEFITS	\$574,098	\$574,098	\$0	0.00%
EDUCATION, TRAINING, CONFERENCES, SEMINARS	\$20,000	\$20,000	\$0	0.00%
CORPORATE GOVERNANCE	\$65,000	\$65,000	\$0	0.00%
ADMINISTRATION OF HAPRIO EXPENSES SUB-TOTAL	\$1,344,315	\$1,344,315	\$0	0.00%
USDA OVERSIGHT				
USDA USER FEE	\$237,600	\$237,600	\$0	0.00%
PROGRAM REVIEW	\$0	\$0	\$0	0.00%
OFFICE OF GENERAL COUNSEL (OGC)	\$0	\$0	\$0	0.00%
USDA OVERSIGHT SUB-TOTAL	\$237,600	\$237,600	\$0	0.00%



MEMORANDUM

DATE: 12-1-2020
TO: HAC and HAB
SUBJECT: 2021 Business Plan Dashboard Format

During the September board meeting, the board approved a series of recommendations proposed by the CGC as a first step to rebuilding the culture. Under the heading of Information Sharing, the CGC recommended for staff to create a dashboard for the Board, focused on volume and critical financial metrics. The Board also discussed the need for executive summaries of the business plan throughout the year.

In your packet, the staff included a draft format of the dashboard for the Board's consideration and approval. The plan is for the staff to email the dashboard to the Board every quarter and to include the most recent quarterly report in the board meeting packet.

Management will be seeking Board approval of the dashboard format at the meeting.



2021 Business Plan Dashboard - Q1

MONTH ##, 2021

FINANCE REPORT

Q1 ending March, 31 2021

HAB REVENUE

Current	YAGO	Change
\$##.# M	\$##.# M	\$#.# M

HAB NET REVENUE

Current	YAGO	Change
\$##.# M	\$##.# M	\$#.# M

HAB RESERVES

Current	YAGO	Change
\$#.# M	\$#.# M	\$#.# M

CASH AND INVESTMENTS

Total cash and investments	\$#,###,###
----------------------------	-------------

NET ASSETS, REVENUE, & EXPENDITURES

Total assets	\$#,###,###
Total liabilities	\$#,###,###
Net assets (reserves)	\$#,###,###
Total revenues	\$#,###,###
Total expenditures	\$#,###,###
YTD excess revenues over/(under) expenditures	\$#,###,###

VOLUME (million pounds)

	Annual	Year to date
Budgeted	#,###	#,###
Current	#,###	#,###
Organic refunds		(#,###)
Re-export refunds		(#,###)
Net Assessable Volume	#,###	#,###

NOTES

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SUSTAINABILITY

Five-Year Working Goals

- Establish the Hass Avocado Sustainability Center as the premier provider of sustainability research, data, and information for the avocado industry.
- Develop the strategic framework for communicating the avocado industry sustainability story.
- HAB messaging on sustainability will be widely distributed and available for use by all industry stakeholders.

FINANCIALS

Key Project	Budget	Actual	Realized
Research	\$200,000		
Strategy	\$100,000		
Program Management	\$170,023		
TOTAL	\$470,023		

SUSTAINABILITY

2021 Objectives

- Develop the structure for the Hass Avocado Sustainability Center.
- Determine and monitor public beliefs about sustainability relevant to Hass avocados and how these could affect purchase behavior.
- Conduct research to determine and substantiate relevant characteristics of sustainability (e.g., environmental, social, and economic) across the Hass avocado supply chain.
- Define relevant target audiences and communication channels.
- Develop USDA-approved copy points.
- Develop a compelling narrative customized by a target audience on sustainability practices in the Hass avocado industry.

Program Update

SUSTAINABILITY

Program Update Cont'd

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NUTRITION

Five-Year Working Goals

- Grow the contracted projects and subject participation in the nutrition-research pipeline each year.
- Distribute HAB-funded research findings to key audiences including scientists, regulatory agencies, professional organizations, and the Hass avocado industry.
- Establish policies for maintaining transparency and independence of the nutrition research pipeline from internal and external influence.

FINANCIALS

Key Project	Budget	Actual	Realized
Strategies, Issues, Radar and Reporting	\$204,250		
Events	\$18,000		
Science Pipeline	\$2,032,750		
Program Management	\$504,222		
TOTAL	\$2,759,222		

NUTRITION

2021 Objectives

- Initiate an average of five new studies or add an average of 100 new participants to the clinical research pipeline.
- Present the latest avocado nutrition information at an average of six meetings with agencies, professional organizations, and avocado industry professionals, annually.
- HAB will adopt and communicate principles and/or guidelines that ensure the transparency and independence from external and internal influence of the nutrition research pipeline.

Program Update

NUTRITION

Program Update Cont'd

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BUSINESS SUPPORT TOOLS & INFORMATION PRIORITY

Five-Year Working Goals

- Research and information about supply and demand will be available and widely used by the industry. Maintain high levels of participation on AVIS and timely updates to country profiles and market reviews.
- Grow HAB's research and information about supply and demand drivers and the avocado quality and societal trends affecting the performance of the Hass avocado business. Make the information available and increase the user reliance of that information.
- Obtain and publish timely preseason volume projections, midseason updates, and accurate weekly actual shipments on the Hass Avocado Board website from supplying countries with more than 1% of the annual U.S. market share.

FINANCIALS

Key Project	Budget	Actual	Realized
Program Management	\$297,029		
Communications	\$ 44,670		
Data Services	\$113,200		
AVIS	\$ 54,000		
Track and Monitor	\$ 88,200		
Research and Information	\$ 25,000		
Consumer Insights and Tracking Studies	\$229,130		
TOTAL	\$851,229		

BUSINESS SUPPORT TOOLS & INFORMATION PRIORITY

2021 Objectives

- Total annual supply data reported on AVIS will be more than 90% of the total annual supply sold in the U.S., and total annual market data reported on AVIS will be greater than 85% of the annual supply. AVIS's ongoing run time will exceed 99%.
- Publish two Country Profiles & Market Reviews on the Hass Avocado Board website.
- Develop and lead an ongoing task force of avocado industry members with experience in consumer/shopper/category/retail data research that will provide feedback on the types of research for HAB to fund.
- Track and monitor retail sales in the U.S. and publish on the Hass Avocado Board website.
- Purchase consumer and shopper data and provide derivative products to the industry through HAB's website and other communication channels.
- Make HAB's avocado quality information available and aim to have more than 80 percent of the users report satisfaction with the information.
- Publish preseason projections by country and midseason updates for each country on the Hass Avocado Board website.

Program Update

BUSINESS SUPPORT TOOLS & INFORMATION PRIORITY

Program Update Cont'd

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INDUSTRY ENGAGEMENT AND LEADERSHIP

Five-Year Working Goals

- Convene the industry to solve common issues and encourage innovation and sustainability across the supply chain.
- Increase familiarity, understanding, trust, and support towards HAB and its programs.
- Cultivate a pipeline of future avocado leaders to serve on the HAB and HAPRI association's boards.
- Host HAB meetings and events that are well-attended and valued by attendees.

FINANCIALS

Key Project	Budget	Actual	Realized
Annual Report	\$6,000		
HAB Promotional Materials	\$6,000		
Industry Meetings & Events	\$15,000		
Industry Website	\$82,500		
Outreach	\$15,000		
Communications	\$207,700		
Board Leadership Development	\$30,000		
Program Management	\$491,868		
TOTAL	\$854,068		

INDUSTRY ENGAGEMENT AND LEADERSHIP

2021 Objectives

- Host meetings and events to provide industry stakeholders with opportunities to collaborate.
- Create and implement an ongoing outreach and communications program to producers, exporters, and importers to highlight key activities funded by and implemented through HAB.
- Develop and operate the Hass Avocado Board Leadership Program.
- Host HAB events that will be well attended by relevant sectors of the industry.
- Meeting participants will report satisfaction with their attendance, interest in attending future meetings, and recommend the attendance of future meetings to a friend or colleague.
- Attend meetings and events, including all association meetings held by CAC, CAIA, MHAIA, PAC, Colombian Avocado Board (CAB), and provide HAB updates at each.
- Attend and participate at avocado and produce trade industry meetings in the country and abroad to engage stakeholders and get the HAB message out.
- Participate in and attend Commodity Roundtable meetings.

Program Update

INDUSTRY ENGAGEMENT AND LEADERSHIP

Program Update Cont'd

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COMMUNICATIONS

Five-Year Working Goals

- Target audiences in the U.S. will report an increase of x% from the baseline of x% in 2021 I, in how much they trust that Hass avocados are healthy and nutritious and have versatile uses.
- Target audiences in the U.S. will report a positive association between avocados with each of the nutrition research health pillars.
- The association between Hass avocado and the environmental, societal, and economic impact will not be negative or become a significant barrier to purchase by consumer target audiences or a barrier to a recommendation by health professionals
- The baseline will be set in 2021 after the tracking study has been conducted.

FINANCIALS

Key Project	Budget	Actual	Realized
Program Management	\$750,819		
Creative Content	\$303,600		
Nutrition & Research Promotion	\$1,420,800		
Online/Website/Social Media	\$340,000		
Strategic Partnership	\$110,000		
Events	\$13,000		
Strategy Issues Radar Reporting	\$226,100		
TOTAL	\$3,164,319		

COMMUNICATIONS

2021 Objectives

- Promote and communicate nutrition research and usage ideas to health professionals to increase recommendations to clients across all four health pillars.
- Raise and/or sustain a target consumer awareness level that shows the avocado's nutritional and health benefits and versatile uses.
- Paid and earned media and influencer endorsements about the health benefits, versatility, and the sustainability of fresh avocados will be engaging, relevant, targeted, frequent, and positive.
- Communicate the HAB sustainability message and build trust. Sustainability will not be a barrier to purchasing avocados.
- Support the communications objectives of all other strategic priorities.

Program Update

COMMUNICATIONS

Program Update Cont'd

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MEMORANDUM

DATE: 2-1-2020
TO: HAC and HAB
FROM: Emiliano Escobedo
SUBJECT: Hass Avocado Sustainability Center

The strategy outlined in the five-year strategic plan for our sustainability priority is to strengthen the Hass avocado industry by developing research and data to inform practices that will fulfill today's needs without compromising those of future generations. We acknowledge that sustainability practices across the supply chain may vary either geographically or culturally. One of the five-year working goals is to establish the Hass Avocado Sustainability Center (HASC) as the premier provider of sustainability research, data, and information for the avocado industry. There are three objectives for the five-year working goal: 1. define the structure, 2. establish the membership, and 3. conduct strategic planning.

In 2021, we would like to work with a HAB appointed task force to work on the first objective and develop a plan that defines the structure of the HASC. The proposal would include answers to questions such as:

- Who are the constituencies?
- What does the membership and composition of the center's board look like?
- How is it funded?
- How would it operate?
- What are the limitations?
- How does it fit within the structure of the Hass Avocado Board?

We recommend that the taskforce include people from various geographies and segments of the industry with sustainability experience and are familiar with entity structure, governance, and the Hass Avocado Board.



KEY DATES

WEEK HARVEST BEGINS	WEEK U.S. SHIPMENTS BEGIN	WEEKS U.S. SHIPMENTS WILL PEAK	WEEK U.S. SHIPMENTS WILL END
4	4	21-26	49

PRODUCTION

ACRES PLANTED HASS		ACRES BEARING HASS		HASS PRODUCTION ESTIMATE (Million LB)	
CURRENT	LAST YEAR	CURRENT	LAST YEAR	CURRENT	LAST YEAR
54,017	54,706	47,334	46,078	370	217

FACTORS THAT COULD IMPACT CURRENT CROP:

Due to market conditions, harvest for the California crop was delayed, resulting in harvesting of the 2020 crop continuing through November.

SHIPMENTS

CURRENT PROJECTED SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
370	12%	81%	4%

LAST YEAR SHIPMENT VOLUME TO US

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
217	12%	81%	4%

CURRENT PROJECTED SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
357	0	13	0

MEETING UPDATE

Date: 25-Nov-20

REPORTING AS OF WEEK NUMBER:	47	SEASON TO DATE PRODUCTION VOLUME	
		ESTIMATED (Million LB)	ACTUAL (Million LB)
		370	377

CURRENT SEASON ACTUAL SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
364	12%	81%	4%

CURRENT SEASON ACTUAL SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
364	0	13	0

KEY DATES

WEEK HARVEST BEGINS	WEEK U.S. SHIPMENTS BEGIN	WEEKS U.S. SHIPMENTS WILL PEAK	WEEK U.S. SHIPMENTS WILL END
32	37	39	40

PRODUCTION

ACRES PLANTED HASS		ACRES BEARING HASS		HASS PRODUCTION ESTIMATE (Million LB)	
CURRENT	LAST YEAR	CURRENT	LAST YEAR	CURRENT	LAST YEAR
70,000	70,000	60,000	60,000	330	500

FACTORS THAT COULD IMPACT CURRENT CROP:

weather and water

SHIPMENTS

CURRENT PROJECTED SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
2	0%	100%	0%

LAST YEAR SHIPMENT VOLUME TO US

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
25	35%	55%	10%

CURRENT PROJECTED SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
200	115	5	10

MEETING UPDATE

Date: 20,11,20

REPORTING AS OF WEEK NUMBER:	46	SEASON TO DATE PRODUCTION VOLUME	
		ESTIMATED (Million LB)	ACTUAL (Million LB)
		0	0

CURRENT SEASON ACTUAL SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
695	0%	100%	0%

CURRENT SEASON ACTUAL SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
570	100	50	10



KEY DATES

WEEK HARVEST BEGINS	WEEK U.S. SHIPMENTS BEGIN	WEEKS U.S. SHIPMENTS WILL PEAK	WEEK U.S. SHIPMENTS WILL END
40	40	29	36

PRODUCTION

ACRES PLANTED HASS		ACRES BEARING HASS		HASS PRODUCTION ESTIMATE (Million LB)	
CURRENT	LAST YEAR	CURRENT	LAST YEAR	CURRENT	LAST YEAR
64,000	58,848	41,600	41,193	135	96

FACTORS THAT COULD IMPACT CURRENT CROP:

The number of authorized orchards.

The Rain season (La Niña) is going to last more than expected.

SHIPMENTS

CURRENT PROJECTED SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
7	35%	55%	10%

LAST YEAR SHIPMENT VOLUME TO US

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
4	4%	96%	0%

CURRENT PROJECTED SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
40	85	1	9

MEETING UPDATE

Date: 24-Nov-20

REPORTING AS OF WEEK NUMBER:	48	SEASON TO DATE PRODUCTION VOLUME	
		ESTIMATED (Million LB)	ACTUAL (Million LB)
		135	135

CURRENT SEASON ACTUAL SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
1	4%	96%	0%

CURRENT SEASON ACTUAL SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
3	6	0	1

The information provided in this report including projected, estimated, and actual data was provided by the country listed at the top of the report.



KEY DATES

WEEK HARVEST BEGINS	WEEK U.S. SHIPMENTS BEGIN	WEEKS U.S. SHIPMENTS WILL PEAK	WEEK U.S. SHIPMENTS WILL END
27	27	40-10	26

CERTIFIED PRODUCTION FOR US ONLY

ACRES PLANTED HASS		ACRES BEARING HASS		HASS PRODUCTION ESTIMATE (Million LB)	
CURRENT	LAST YEAR	CURRENT	LAST YEAR	CURRENT	LAST YEAR
423,505	418,177	338,626	324,628	2,750	2,565

FACTORS THAT COULD IMPACT CURRENT CROP:

This is a space for the representative to provide additional information about the crop. For example, a delay in the rain season is having an impact in dry matter levels.

SHIPMENTS

CURRENT PROJECTED SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
2,242	0%	0%	0%

LAST YEAR SHIPMENT VOLUME TO US

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
2,123	0%	0%	96%

CURRENT PROJECTED SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
94	48	109	201

MEETING UPDATE

Date: 24-Nov-20

REPORTING AS OF WEEK NUMBER:	47	SEASON TO DATE PRODUCTION VOLUME	
		ESTIMATED (Million LB)	ACTUAL (Million LB)
		931	1,004

CURRENT SEASON ACTUAL SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
852	0%	0%	98%

CURRENT SEASON ACTUAL SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
22	69	43	13

The information provided in this report including projected, estimated, and actual data was provided by the country listed at the top of the report.

KEY DATES

WEEK HARVEST BEGINS	WEEK U.S. SHIPMENTS BEGIN	WEEKS U.S. SHIPMENTS WILL PEAK	WEEK U.S. SHIPMENTS WILL END
5	8	23-29	37

PRODUCTION

ACRES PLANTED HASS		ACRES BEARING HASS		HASS PRODUCTION ESTIMATE (Million LB)	
CURRENT	LAST YEAR	CURRENT	LAST YEAR	CURRENT	LAST YEAR
100,000	93,000	100,000	93,000	801	640

FACTORS THAT COULD IMPACT CURRENT CROP:

Production in the northern areas were delayed in reaching dry matter levels.

SHIPMENTS

CURRENT PROJECTED SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
174	70%	27%	3%

LAST YEAR SHIPMENT VOLUME TO US

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
190	70%	27%	3%

CURRENT PROJECTED SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
0	485	72	70

MEETING UPDATE

Date: 1-Dec-20

REPORTING AS OF WEEK NUMBER:	34	SEASON TO DATE PRODUCTION VOLUME	
		ESTIMATED (Million LB)	ACTUAL (Million LB)
		807	801

CURRENT SEASON ACTUAL SHIPMENT VOLUME TO U.S.

TOTAL (Million LB)	% EAST	% WEST	% TEXAS
174	70%	27%	3%

CURRENT SEASON ACTUAL SHIPMENT VOLUME (Million LB)

DOMESTIC	EUROPE	ASIA	OTHERS
0	485	72	70

2017-2021 STRATEGIC PLAN

5 YEAR WORKING GOALS MEASUREMENT AND DASHBOARD



Mission

HAB exists to support the global avocado industry stakeholders in our collective efforts toward market expansion in the U.S.

Vision

HAB is the catalyst for fresh avocados being the No. 1 consumed fruit in the U.S. and industry stakeholders being successful.

Strategic Priorities

- Build Demand
- Nutrition
- Supply and Demand Data
- Quality
- Industry Engagement
- Sustainability

Build Demand

Goal

Annual per capita consumption of fresh avocados in the United States will be (A) 9.1 pounds or (B) \$23 by 2021.

Measurement

A. Per capita consumption in pounds will be measured by dividing fresh avocado volume (Hass+Organic Imports) by the U.S. (50 states + DC) estimated population as published by the U.S. Census Bureau.

B. Per capita consumption in dollars will be measured by multiplying per capita consumption in pounds (as stated under A) by the average selling price of avocados at retail during the year as reported by IRI for the total U.S.

Progress To Date	2016	2017	2018	2019	2020*
Vol Hass + Org Imp (MM)	2,233	2,138	2,480	2,576	2,750
Avg Retail Price / Lb	\$ 2.45	\$ 2.82	\$ 2.42	\$ 2.55	\$ 2.38
Population (MM)	323	326	328	329	329
PCC/LB	6.9	6.6	7.6	7.8	8.4
PCC/\$	\$ 16.94	\$ 18.49	\$ 18.30	\$ 19.98	\$ 19.86

* based on projected volume for 2020 and retail prices as of September 6, 2020

Nutrition

Goal

The growing scientific body of evidence will be relevant, translational, and credible to support health benefits associated with consuming more avocados.

Measurement

Number of contracted projects added to the research pipeline since 2016 that meet definitions of the goal.

Progress To Date	2016	2017	2018	2019	2020
# of Projects	16	22	27	27	27

Supply and Demand

Goal 1

Research and obtain industry information about where Hass or Hass-like avocados are produced, how much and when.

Measurement Goal 1

We will measure our success based on the number of industry information reports with new and updated production information that we obtain.

Progress To Date	2016	2017	2018	2019	2020
# of reports	n/a	n/a	n/a	3	1

Goal 2

Research and obtain industry information about where Hass or Hass-like avocados are sold, how much and when.

Measurement Goal 2

We will measure the number of participants on AVIS on a yearly basis and the volume reported in the system as a percentage of total assessable volume. Retail volume and dollars data and reports and international trade reports will be published on hassavocado.com.

Progress To Date	2016	2017	2018	2019	2020
AVIS participants	74	77	84	96	99
AVIS wholesale supply	98%	100%	98%	94%	94%
AVIS wholesale shipments data	82%	86%	83%	82%	83%

Quality

Goal

HAB's quality related information pertaining to the proper handling of the fruit in the U.S. supply chain is used by handlers, importers, distributors and marketers that supply the U.S. market. Companies that move 85% of the volume will report having the information available and among them 80% will report finding the information useful.

Measurement

Changes in the number of companies that have the information and among those that have it, determine what percentage finds the information useful. When the quality guidelines, currently being developed by the Quality Committee are released, we will distribute the information broadly and benchmark through a survey the amount of recipients that have the information and whether they find it useful or not. Follow-up surveys will be performed in 2019 and 2021 and the results will be compared to the initial benchmark.

Progress To Date	2018	2019	2021
# of companies	n/a	n/a	n/a
% that find it useful	n/a	n/a	n/a

Industry Engagement

Goal

Increase the percentage of Hass avocado producers and importers in the U.S. that are subject to HAB assessments who (A) are familiar with HAB from the 2017 baseline of 64% to 90%, (B) know what HAB does from the 2017 baseline of 67% to 90% and (C) whose overall opinion about the work of the Board is "somewhat satisfied" or "very satisfied" increased from 48% to 75%.

Measurement

Goals will be measured using an online survey of avocado producers and importers that are subject to HAB assessments. The benchmark survey was completed in December of 2017. Follow-up surveys will be conducted by October 2020 and a final survey by December 2021.

Part A of the goal will be measured using question 11 of the 2017 benchmark survey and comparing it to the benchmark

Part B of the goal will be measured using question 14 of the 2017 benchmark survey then averaging the results of "I know HAB does this" for parts A B C & G and comparing it to the benchmark.

Part C of the goal will be measured using question 15 of the 2017 benchmark survey by adding the responses that are "somewhat satisfied" and "very satisfied" and comparing it to the benchmark.

Progress To Date	2017	2020	2021
Part A	64%	88%	
Part B	67%	78%	
Part C	48%	61%	

Sustainability

Goal

No goal set for this priority

Measurement:

To be determined upon setting the goal

Progress To Date

n/a