



Executive Committee Agenda

November 11, 2024 | 9:00–11:00 a.m. | Trinitas Boardroom
The Meritage Resort & Spa, Napa

VISION: Milk and dairy are globally accepted as an essential solution to achieve nutrition security and sustainable food systems.

CAUSE: Elevating the health of children and communities in California by promoting lifelong healthy eating patterns that include milk and dairy foods.

1. Call to Order – *Curt DeGroot, Chairman* 9:00 a.m.
2. Standards of Performance, Anti-Trust Statement and Approval of the June 12, 2024, Meeting Minutes – **(Before Tab 1)**
(Motion to approve the Minutes) 9:05 a.m.
3. Public Comments 9:10 a.m.
4. CEO Report – *Amy DeLisio, CEO* 9:15 a.m.
 - Set January 2025 Executive Committee meeting date
5. Financial Reports – *Matt Delgado, Operations Officer* 9:35 a.m.
 - FY 2023-24 Year-End Financial Report – **Tab 4**
 - FY 2024-25 Financial Report through September 30, 2024 – **Tab 5**
 - Cash Investments Report – **Tab 5****(Motion to recommend to the full board the 2023-24 Year End Financial Reports and YTD Financial Reports for 2024-25)**
6. Review FY 2023-24 Audit Report – **Tab 3** 9:55 a.m.
Matt Delgado, Operations Officer
Guest Speaker: Brad Bartells, MUN CPAs (Virtual)
(Motion to recommend to the full board the 2023-24 Audit Report)
- Break** 10:10 a.m.
7. Nominating Committee Update – *John Dolan, Immed. Past Chair* 10:25 a.m.
 - **Motion to recommend to the full board electing officers to the Executive Committee**
 - **Motion to recommend to the full board the recommended nominees to CDFA to fill two Handler vacancies**
8. California Department of Food and Agriculture Report 10:35 a.m.
Dennis Manderfield, Sr. Agricultural Economist
9. Chairman’s Report – *Curt DeGroot, Chairman* 10:45 a.m.

10. Additional Public Comments 10:55 a.m.

11. Adjourn 11:00 a.m.

Lunch – 11:30 a.m. – 12:30 p.m. – West Lawn

Next Executive Committee Meeting – January TBD, 2025 – Zoom

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.

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.cdffa.ca.gov/mkt/mkt/>. (*select meeting notices*)

For further information regarding this meeting, please contact: Rachel Otter, 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 Rachel Otter at 916-263-3560. Requests for reasonable accommodation should be made no later than three (3) days before the meeting.

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 fourth regularly scheduled meeting of the calendar year, the Executive Committee will:

1. Review current financial statements against budget and develop appropriate recommendations to the Board
2. Review C.E.O.'s recommendations on administrative matters that are outside her authority and take appropriate action
3. Review audit report and make report to the Board
4. Select Board meeting dates and sites for following year

Minutes of the Meeting of the
Executive Committee
June 12, 2024
Sacramento, CA
Meeting via Zoom

PRESENT: Curt DeGroot, Chairman (Zoom) John Dolan (Zoom)
Arlene VanderEyk (Zoom) Mike Newell (In-person)
Joey Fernandes (Zoom) Brad Scott (Zoom)

ABSENT: Steve Maddox

OTHERS

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

Call to Order

Chairman DeGroot called the meeting to order at 10:11 a.m.

Standards of Performance, Anti-Trust Statement and Approval of Minutes

Chairman DeGroot asked the Executive Committee members to review the Standards of Performance and the Anti-Trust Statement for the regularly scheduled summer meeting plus the March 14, 2024, Executive Committee minutes for approval.

IT WAS MOVED BY JOHN DOLAN AND SECONDED BY ARLENE VANDEREYK TO APPROVE THE MINUTES OF THE MEETING FROM MARCH 14, 2024. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2024-6-12 EX#1).

Public Comment: None

CEO Report

Ms. Amy DeLisio shared various organizational updates, including the warehouse transition, staff engagement in the branding update process, global engagements and media and publications updates. The DCC hosted a California Dairy Sustainability Summit dinner to discuss sustainable nutrition and gathered perspectives from dairy and nutrition industry stakeholders. Ms. DeLisio also shared updates on national guidelines and their plans to monitor and submit comments on the benefits of milk and dairy as part of food-based dietary guidelines. Lastly, Ms. DeLisio announced a continued focus on evaluating engagement and investing resources in areas with the most impact.

2023-2024 Financial Reports through May 31, 2024

Mr. Matt Delgado presented a report on the organization's financial changes and investment preparations for the next fiscal year. The report highlighted a decrease in reserves due to agreed-upon withdrawals and a decline in industry assessments receivable, depreciation of property and equipment and a reduction of materials inventory. The deferred pension liabilities remained unchanged. The organization's financial position was reported to be slightly under budget with an income deficit, due to a delay in assessment processing. The team discussed adjustments to expenses, reallocating personnel and an increase in insurance costs.

IT WAS MOVED BY MIKE NEWELL AND SECONDED BY JOHN DOLAN TO APPROVE THE FINANCIAL REPORTS FOR THE PERIOD JULY 1, 2023, THROUGH MAY 31, 2024, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2024-6-12 EX#2).

2024-2025 Strategic Success Plans and Staffing Review

Ms. DeLisio shared the updated vision, which emphasizes the importance of milk and dairy as essential solutions for nutrition security and sustainable food systems. The organization's strategy for 2025 focuses on four key areas: building value for milk and dairy foods sustaining a thriving organization, dairy ag literacy and education and advocacy. The strategy also includes an emphasis on partnerships and collaborations, as well as investments in digital solutions, staff development and research. The organization aims to increase knowledge, awareness and value for dairy, and to equip community members with skills to advocate for dairy-inclusive nutrition.

IT WAS MOVED BY MIKE NEWELL AND SECONDED BY JOEY FERNANDES TO RECOMMEND TO THE FULL BOARD THE APPROVAL OF THE UPDATED VISION AND CAUSE, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2024-6-12 EX#3).

2024-2025 Proposed Budget, Organizational Salary Schedule and Assessment Rate

Ms. DeLisio reported working with an external organization to review the salary schedule to ensure it's aligned with the market. A 3% increase was approved by the Executive Committee in March 2024 initially. Some classification changes were implemented as those positions took on new duties and responsibilities, which is also reflected in the updated organization chart.

IT WAS MOVED BY ARLENE VANDEREYK AND SECONDED BY JOHN DOLAN TO RECOMMEND TO THE FULL BOARD THE APPROVAL OF THE 3% INCREASE FOR THE ORGANIZATIONAL SALARY SCHEDULE AND UPDATED ORGANIZATION CHART, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. AYES: JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2024-6-12 EX#4).

Mr. Delgado presented a proposed budget for the 2024-2025 fiscal year, highlighting a decrease in expenses due to various cost-saving measures, including reducing personnel costs, restructuring departments and implementing new initiatives such as digital forward and third-party fulfillment. The proposed budget also included funds for capital expenses for an additional Mobile Dairy Classroom truck and office furniture for the new building. Despite a cost increase in insurance policies, overall expenses were reduced from the previous fiscal year. The proposed budget maintains assessment rates at current levels with no increases. Ms. Arlene VanderEyck commended the DCC's efforts to cut costs in this challenging economic climate.

IT WAS MOVED BY MIKE NEWELL AND SECONDED BY JOEY FERNANDES TO RECOMMEND TO THE FULL BOARD THE APPROVAL OF THE PROPOSED 2024-2025 BUDGET, THE APPROVAL OF THE PROPOSED 2024-2025 ASSESSMENT RATES WITH NO INCREASES AND THE PURCHASE OF PROPERTY AND FURNITURE, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2024-6-12 EX#5).

2024-2025 DCC Administrative Policies and Policy Manual Updates

Ms. Kendall House provided a high-level report on the updates to the DCC Policy Manual and the 2024-2025 DCC Administrative Policies. Notable modifications to the DCC Administrative Policies include the revision of the vehicle purchase language and an increase in the equipment purchase limit of the Chief Executive Officer. Notable modifications to the DCC Policy Manual include updates to the vacation policy, acquisitions section, contracts and reimbursement rates for board members' meals. Mr. Dennis Manderfield complemented the DCC for aligning the DCC Policy Manual with CDFA's new contracting policy for marketing programs.

IT WAS MOVED BY MIKE NEWELL AND SECONDED BY ARLENE VANDEREYK TO RECOMMEND TO THE FULL BOARD THE APPROVAL OF THE UPDATES TO THE DCC POLICY MANUAL AND THE DCC ADMINISTRATIVE POLICIES, AS PRESENTED. THE MOTION WAS UNANIMOUSLY CARRIED. JOHN DOLAN, CURT DEGROOT, MIKE NEWELL, BRAD SCOTT, ARLENE VANDEREYK, JOEY FERNANDES; NAYS: NONE; ABSTAIN: NONE; ABSENT: STEVE MADDOX (BOARD MOTION 2023-6-12 EX#6).

Nominating Committee Update

Nominating Committee Chairman, Mr. John Dolan, discussed potential new members for the board and the need for existing members to reapply. It was expressed that some members have decided not to seek reappointment and those positions would also need to be filled. Mr. Brad Scott, Ms. VanderEyck and Mr. Dolan agreed to continue as part of the Nominating Committee.

Closed Session

The Executive Committee entered into a closed session at 11:17 a.m. pursuant to California Government Code 11126 (a) regarding the appointment, employment, evaluation of performance or dismissal of an employee.

Return to Open Session

The Executive Committee reconvened in open session at 11:46 a.m. Chairman DeGroot reported that during the closed session, the Committee evaluated the performance of Ms. DeLisio during the past 2023-2024 fiscal year. He reported further that the Executive Committee had voted to recommend to the full Board that the DCC renew its CEO contract with Ms. DeLisio for the 2024-2025 fiscal year with a salary increase.

CDFA Report

Mr. Dennis Manderfield indicated that CDFA will conduct the Board of Directors nomination and preference voting process in August and September. He reminded everyone that CDFA will utilize the recently updated DCC Nomination and Preference Voting Procedures.

Chairman's Report

Chairman DeGroot appreciated the Nominating Committee reaching out to potential new members for the Board and restated the importance for existing members to reapply.

Additional Public Comment: None

Adjourn


Chairman DeGroot adjourned the meeting at 11:52 a.m.

Submitted By: 

Amy DeLisio
Chief Executive Officer

Certification

I, Amy DeLisio, Chief Executive Officer of the Dairy Council of California, do hereby certify that, to the best of my knowledge, the foregoing is a true and correct copy of the minutes of a meeting of the Executive Committee held on June 12, 2024.

Submitted By: 

Amy DeLisio
Chief Executive Officer