



Mexican Hass Avocado Importers Association
Board Meeting Minutes
May 25, 2023

Place: AFM Headquarters Dallas, TX

Time: 1:00 PM – 5:00 PM CDT

Board of Directors 2023:

Growers / Packers		Term Expires
Jaime Rivas Jr. (Treasurer)	Director	2023
Augustin del Rio	Alt	2023
Ivan Alejandro Oseguera Quintero	Director	2023
Jesus Domingo Calderon	Alt	2023
Ricardo Vega Perez	Director	2024
Antonio Villasenor Zurita	Alt	2024
Antonio Ortiz Gonzalez (Vice Chair)	Director	2024
Juan Pablo Figueroa Cejudo	Alt	2024

Importers		Term Expires
Gary Caloroso (Chair)	Director	2023
John Dmytriw	Alt	2023
Aaron Acosta	Director	2023
Peter Shore	Alt	2023
Jon Ullrich (Secretary)	Director	2024
Elizabeth Ayala	Alt	2024
Jacqueline Solares	Director	2024
Gwen Jackimek	Alt	2024

AMS: _____

Katie Cook
Mathew Collins
George Webster

Officially Present: _____

Armando Lopez
Dolora Sillman
Ilse Manaña
Ron Campbell
Alvaro Luque
Stephany Browder
Grizel Perez
Miguel Barcena

David Ruiz
Stephanie Bazan
Ivonne Kinser
Miguel Barcena
Kevin Brosch
Rafael Hernandez
Jovanny Martinez

Casey Beltran
Miguel Molina
AnaAmbrosi
Alfonso Delgado
Brad Barker
Ilse Magaña
Kelly Burke

Members

Dave Billings	Ireri Villicana Guillen	Casey Beltran	Rigo Perez
Jose Pardo	Monica Robles	George Henderson	Jorge Fernandez
Marco Hernandez	Julio Sahagun	Elizabeth Ayala	Jose Rodriguez
Ramon Paz Vega	Alfredo Rodriguez		



Meeting Convenes:

Chairman Gary Caloroso called the MHAIA meeting to order, took the roll call and established a quorum.

After establishing a quorum, Brad Barker read the antitrust policy that was also distributed to the participants as part of the agenda.

Chairman Caloroso asked the group if there should be any changes or amendments to the minutes. Aaron Acosta motioned to approve the minutes which was seconded by Jaime Rivas. The motion passed without objection.

Chairman Caloroso introduced Treasurer Jaime Rivas for the crop report, financials and treasurers report.

Dolora Sillman presented:

Crop Report:

Dolora Sillman and Rafael Herrera presented the stage 22 crop report (Black fruit and FY 22-23 Crop Report Summary, with actual harvest and shipments until May14th and the 3rd stage Black Fruit crop report. The latest April 2023 harvest projection at 2.9 billion pounds inclusive of actuals until April 2, and to be harvested up to July 2023.

FY 2022-2023 Summary-Crop estimate

Volume at Gross	Total (Tons)			Total (Pounds)			Inc/Dec
	Sep 22	Feb 23	Apr 23	Sep 22	Feb 23	Apr 23	
Crop Report by APEAM							
Loca [1st Stage]	332,277	279,766	279,766	732,545,390	616,778,452	616,778,452	0.00%
Aventajada+Normal+Marcena+2nd Stage]	1,051,447	1,056,100	1,032,705	2,318,043,840	2,328,301,949	2,276,724,803	-2.22%
FY 22-23-Total Projected Harvest	1,383,724	1,335,866	1,312,471	3,050,589,230	2,945,080,401	2,893,503,255	-1.75%
Actual Harvest as of May 14, 2023	1,180,117	1,180,117	1,180,117	2,601,712,632	2,601,712,632	2,601,712,632	
Estimate -May15-July 2, 2023	142,963	142,963	142,963	315,180,321	315,180,321	315,180,321	
Total estimated harvest-2023	1,323,080	1,323,080	1,323,080	2,916,892,954	2,916,892,954	2,916,892,954	
Balance/Carry Over	60,644	12,786	(10,609)	133,696,277	28,187,447	(23,389,699)	-182.98%
Total FY 22-23-Projected Shipments	1,150,142	1,114,691	1,117,538	2,535,629,069	2,457,472,993	2,463,749,554	0.26%
% Shipments compared to Projected Harvest	83.12%	83.44%	85.15%	83.12%	83.44%	85.15%	2.04%
Actual Shipments as of May 14, 2023	1,004,183	1,004,183	1,004,183	2,213,843,603	2,213,843,603	2,213,843,603	
Estimate -May15-July 2, 2023	120,118	120,118	120,118	264,815,333	264,815,333	264,815,333	
Total estimated Shipments-2023	1,124,301	1,124,301	1,124,301	2,478,658,936	2,478,658,936	2,478,658,936	
Black Fruit (3rd Stage) -cut off Mar5,2023			417,284			919,953,745	
Actual Harvest-Mar 6 to May 14, 2023			292,073			643,910,742	
Estimate -May15-July 2, 2023			134,124			295,693,732	
Total estimated harvest			426,197			939,604,474	
Balance/Carry Over			(8,913)			(19,650,729)	

*HARVEST:
FY23 Projected
Harvest-2.9B Lb, 91%
or 2.6B Lb Mich; 9% or
247M Lb Jalis.*

*Actual -2.6B Lb, 91%
2.4B Lb Mich and 9%
231M Lb Jalis.*

*Shipments:
FY23 Projected
Shipments-2.46M
Lb, 92% or 2.28B Lb
Mich; 8% or 187M
Lb Jalis.*

*Actual -2.21B Lb,
95% 2.1B Lb Mich
and 5% 116M Lb
Jalis.*



Chart: Harvest trending per month

**FY23-2.89B Lb (2.63B Lb or 92% Mich; 246M Lb or 8% Jalis), 23.62% inc. vs FY22-2.34B Lb
YTD Harvest May14, 2.6B Lb (91% Mich & 9% Jalis)**

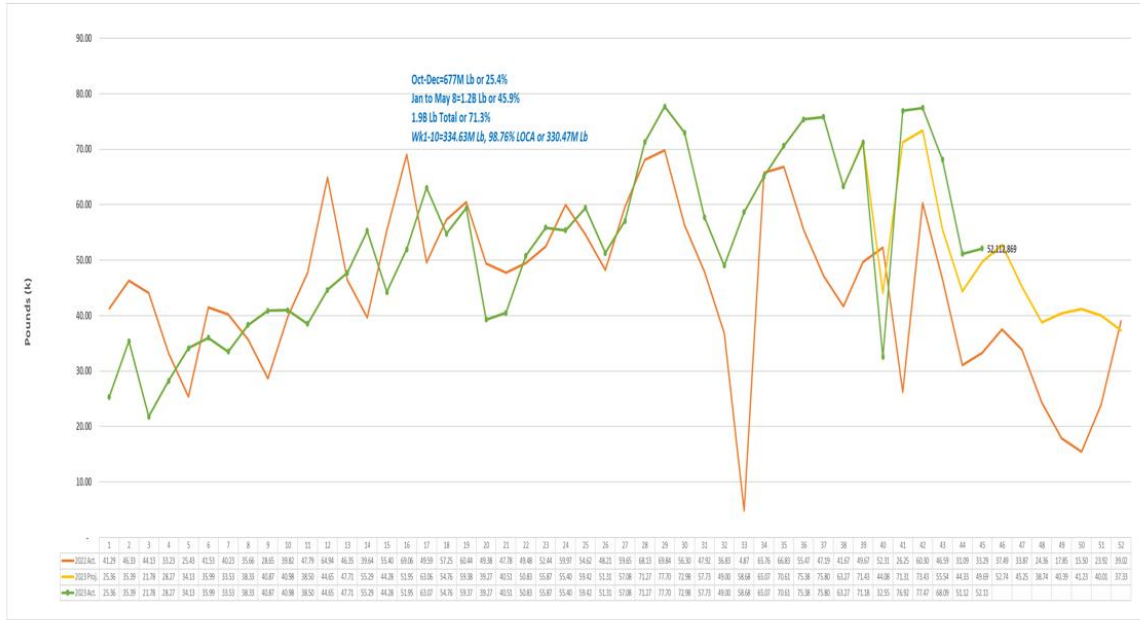
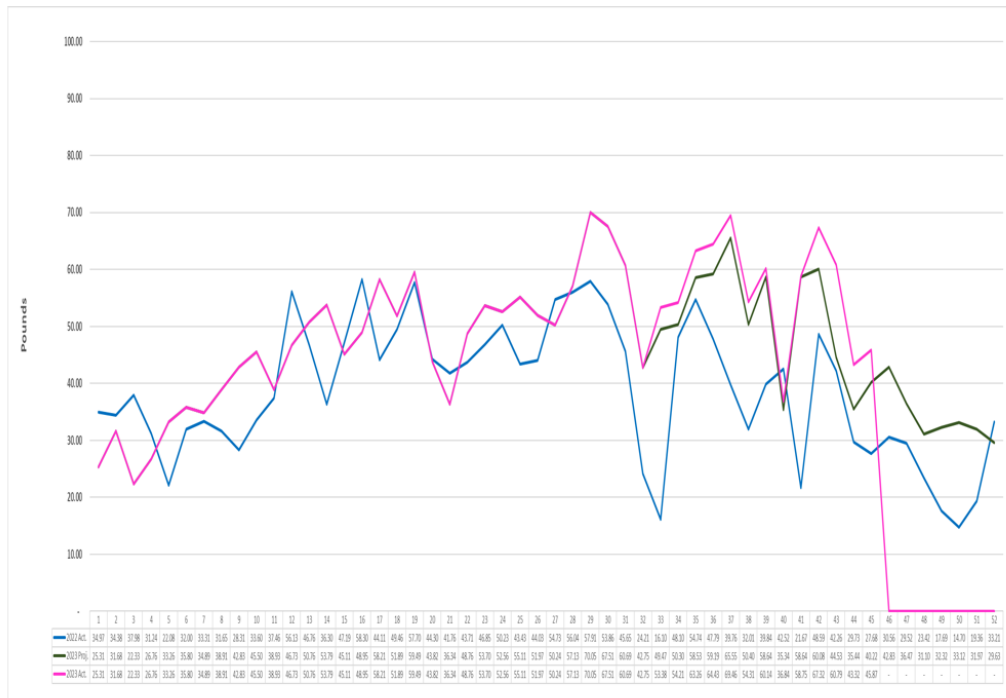


Chart: Shipment trending per month

**Shipments:
FY23 Projected
Shipments-2.46M
Lb, 92% or 2.28B
Lb Mich; 8% or
187M Lb Jalis.**

**Actual -2.21B Lb,
95% 2.1B Lb Mich
and 5% 116M Lb
Jalis.**





MHAIA/APEAM 2022-2023 (Black Fruit)

- MHAIA, January 27,2023 Quarterly report-Black Fruit Balance; APEAM , March 5,2023
- Samples within 159K hectares or 392.8K acres, in 52K orchards across the Michoacan region of Mexico
- Compared to last FY 22, 4% inc. in hectares, 6.11% inc. orchards and 1.19% in Volume at Mid-Level (MHAIA); 6.21% (APEAM)
- Production Vol Diff =239.6K tons (528.23M pounds), primarily due to Yield per HA and timing.

MHAIA	Surface		Volume (Low)		Volume (Mid)		Volume (High)	
	Hectares	Huertos	Tons	Pounds	Tons	Pounds	Tons	Pounds
2022	152,864	49,004	613,230	1,351,941,034	649,169	1,431,171,602	685,107	1,510,402,169
2023	158,978	52,000	615,134	1,356,138,900	656,884	1,448,181,743	698,634	1,540,224,586
Difference	6,114	2,996	1,904	4,197,866	7,716	17,010,141	13,527	29,822,416
%	4.00%	6.11%	0.31%	0.31%	1.19%	1.19%	1.97%	1.97%

APEAM	Surface		Volume (Low)		Volume (Mid)		Volume (High)	
	Hectares	Huertos	Tons	Pounds	Tons	Pounds	Tons	Pounds
2022	152,864	49,004	341,817	753,577,512	392,894	866,183,025	443,970	978,786,334
2023	158,978	52,000	388,074	855,556,744	417,284	919,953,773	446,494	984,350,801
Difference	6,114	2,996	46,257	101,979,232	24,390	53,770,747	2,524	5,564,468
%	4.00%	6.11%	13.53%	13.53%	6.21%	6.21%	0.57%	0.57%
Inc/Dec					239,600	528,227,970		
%						57.4%		

	MHAIA	APEAM	Diff
Ave Trees/HA	149	210	(61)
Ave Trees/HA in Production	142	198	(56)
Total Ave Prod	656,884	417,284	239,600
Total Ave Yield	4.13	2.62	1.51
<i>% inc in Yield</i>			<i>57.42%</i>
Samples/Stratum/Orchard-2023		460	
Samples/Stratum/Orchard-2023		423	

For the new FY 2023-2024 mid-level volume projections were presented for approval and the data was used to develop the FY 23-24 budget. The crop includes harvest from Michoacan and Jalisco including their respective 1st stage LOCA report. Total harvests for FY 2024 estimated at 3.11 billion pounds of which 84.34% are predicted to get shipped to the United States or 2.6 billion pounds.



FY 2023-2024 Summary-Crop Projection

HARVEST:
 FY24 Projected Harvest-
 3.11B Lb,90.27% or 2.81B
 Lb Mich; 9.73% or
 302.61M Lb Jalis.
 Harvest inc. by 6.6% from
 FY 23 of 2.92B Lb

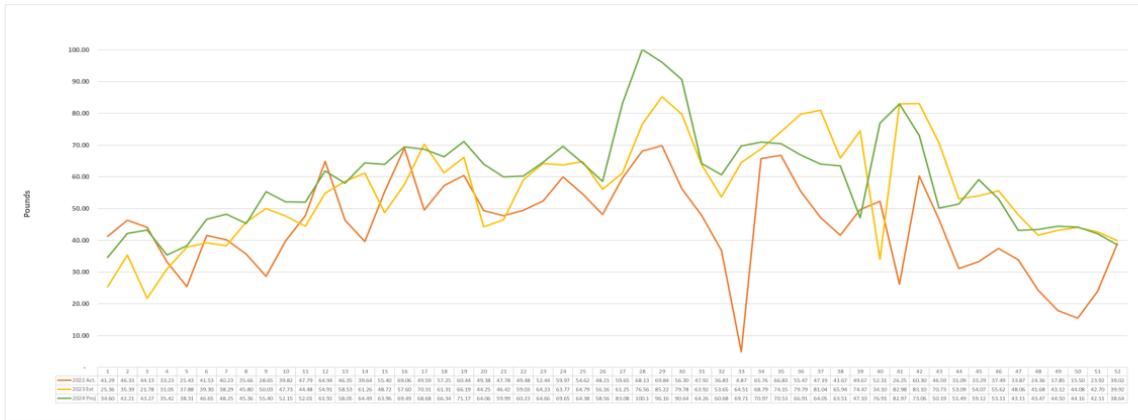
Shipments:
 FY24 Projected Shipments-
 2.62B Lb,91.19% or 2.39B
 Lb Mich; 8.81% or 231.19M
 Lb Jalis.
 Shipments inc. by 5.82%
 from FY 23 of 2.48B Lb
 Predicted shipment to
 harvest is 84.34%

	23-24	22-23		23-24	22-23
Volume in Tons/Pounds at Gross	Tons		%	Pounds	
Crop Report by APEAM - Total Mexico					
Loca (1st Stage)	347,677	279,766	24.3%	766,496,579	616,779,159
Aventajada+Normal+Black-(2nd/3rd Stage)	1,062,920	1,032,705	2.9%	2,343,337,767	2,276,724,454
Total Projected Harvest	1,410,597	1,312,471	7.5%	3,109,834,346	2,893,503,612
Actual Harvest - As of May 14, 2023		1,180,117	89.9%		2,601,712,632
Balance-Projected Harvest		142,963	10.9%		315,180,321
Total estimated harvest	1,410,597	1,323,080	6.6%	3,109,834,346	2,916,892,954
Projected Shipments	1,189,750	1,117,538	6.5%	2,622,949,392	2,463,750,214
<i>% Shipments compared to Projected Harvest</i>	84.34%	85.15%		84.34%	85.15%
Actual Shipment - As of May 14, 2023		1,004,183	89.9%		2,213,843,603
Balance-Projected Shipment		120,118	10.7%		264,815,333
Total estimated Shipment	1,189,750	1,124,301	5.8%	2,622,949,392	2,478,658,936
<i>% Shipments compared to Actual Harvest</i>	100.00%	100.61%		100.00%	100.61%
<i>Average Weekly Harvest (52 weeks/49weeks)</i>	27,127	25,372		59,804,507	55,934,669
<i>Average Weekly Shipment (52 weeks/49weeks)</i>	22,880	21,591		50,441,334	47,600,491

Harvest trending per month:

Chart: Harvest trending per month

FY24-3.11B Lb. (2.81B Lbs. or 90.27% Mich;302.61M Lbs.9.73% Jalis), 6.61% inc. vs FY23 harvest of 2.92B Lb

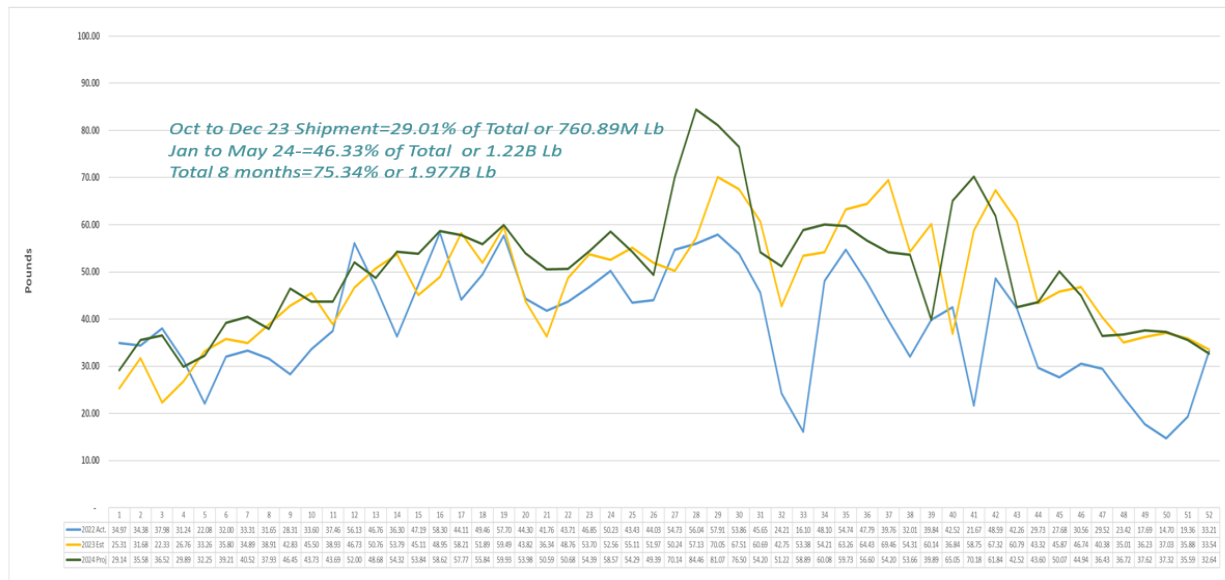




Shipments trending per month:

Chart: Shipment trending per month

FY24-2.62B Lb. (2.39B Lbs. or 91.19% Mich;231.19M Lbs.8.81% Jalis), 5.82% inc. vs FY23 Shipment of 2.48B Lb



TREASURER'S REPORT

Dolora Sillman presented the Treasurer's report (Cash balances as of May 18,2023, Collateralization and Financials as of April 30,2023), and FY 24 proposed budget and cash scenario:

Highlights:

- **Cash Balances**, the consolidated cash balances of MHAIA and its subsidiary the AFM as of May 18,2023 is \$10,602,888. See breakdown below:

Cash Balances

May 18,2023	MHAIA	AFM	Total
Balances			
AFM-EX MM Acct		\$1,325,098	\$1,325,098
Citizens Business Bank-MHAIA MMKT	\$5,029,025 ¹	\$1,053,827 ²	\$6,082,852
Citizens Business Bank-APEAM MMKT		\$2,821,461 ³	\$2,821,461
Citizens Business Bank-Optg.	\$1,000	\$369,977	\$370,977
Petty Cash		\$2,500	\$2,500
Total	\$ 5,030,025	\$ 5,572,862	\$ 10,602,888

Notes:

¹- MHAIA- MMKT Balance as of May 18, 2023 of \$5.03M does not include the April 2023 estimated assessment of \$4.5M or 211.76M pounds net.

²-AFM MHAIA MM does not include the May 2023 inter company payable from MHAIA of \$3.53M

³- AFM APEAM MM -up to date as of May 2023



Collateralization of Funds as of April 30, 2023, the MHAIA and AFM total cash of \$14,603,335 were fully collateralized at \$35,855,367, see below.

Collateralization

Name & Address of Financial Institution, Broker, or Investment Services Company	ABA No.	Type of Account	Amount Currently Deposited - 04/30/23	Collateral Pledged 04/30/23	Maturity Date of Collateral Pledged	Location of FRB* Holding Collateral
MHAIA						
Citizens Business Bank	122234149	Collateral Holdings-V46 U.S.D.A. Mexican Hass Avocado Importers Association		\$ 2,986,036	3132KE3K9- 352/5/1/30	National Book Entry-NBE
				\$ 4,614,012	3133KYS50- 352/11/01/2039	National Book Entry-NBE
				\$ 1,720,157	31346Y4K0- 352/11/01/2049	National Book Entry-NBE
				\$ 435,502	3135AR SAS 8- 361/5/25/30	National Book Entry-NBE
				\$ 995,949	3138E2GB5-362/ 01/01/2027	National Book Entry-NBE
				\$ 1,139,641	3138EBRE7-362/ 03/01/2027	National Book Entry-NBE
				\$ 2,132,838	3138WHCP5-362/ 05/01/2031	National Book Entry-NBE
Citizens Business Bank	250464398	Premium MoneyMarket Gov Serv	\$ 9,134,755			
Citizens Business Bank	250464371	Analyzed Governm ent Operating Account	\$ 292			
TOTAL MHAIA Bank Balances -04/30/23			\$ 9,135,047	\$ 17,024,135		186%
AFM-Subsidiary of MHAIA						
Citizens Business Bank	122234149	Collateral Holdings-V47 U.S.D.A. Avocados From Mexico-		\$ 9,049,163	3132D55N8-352- 0701/2035	National Book Entry-NBE
				\$ 1,989,471	31374CPL4-362- 12/1/2027	National Book Entry-NBE
				\$ 325,983	3137A75C O- 351/01/15/41	National Book Entry-NBE
				\$ 960,210	3137AH H43- 351/11/15/2026	National Book Entry-NBE
				\$ 1,796,959	3138EJ5Q7- 362/11/01/2027	National Book Entry-NBE
				\$ 4,709,446	3140QGHR FNMS CLCA8399 362- 12/01/50	National Book Entry-NBE
Citizens Business Bank	250000316	Premium MoneyMarket Gov Serv-MHAA	\$ 717,221			
Citizens Business Bank	250468080	Analyzed Governm ent Operating Account	\$ 51,350			
Citizens Business Bank	250000324	Analyzed Governm ent MoneyMarket Account- AFEM	\$ 3,374,619			
Citizens Business Bank	250000693	Analyzed Governm ent MoneyMarket Account- AFM Exe Account	\$ 1,325,098			
TOTAL AFM Bank Balances -04/30/23			\$ 5,468,288	\$ 18,831,231		344%
TOTAL MHAIA-AFM Bank Balances -04/30/23			\$ 14,603,335	\$ 35,855,367		246%



YTD April Financial Summary

Financial Summary

YTD-April 30,2023

Volume	Actual-YTD April 30,2023	Amended Budget -YTD April 30,2023	\$ Change-Act vs Budget	Actual-YTD April 30,2022	\$ Change-Act vs PY	
Gross	2,018,581,392	2,067,289,422	(48,708,030)	1,811,698,891	206,882,501	
Organic	(59,362,913)	(56,493,682)	(2,869,231)	(51,733,693)	(7,629,220)	
Re-export	(3,358,603)	(3,180,754)	(177,849)	(4,027,610)	669,007	
Net	1,955,859,875	2,007,614,986	(51,755,110)	1,755,937,588	199,922,287	
% Variance-Gross			-2.4%		11.4%	
% Variance-Net			-2.6%		11.4%	

Contribution	Actual-YTD April 30,2023	Amended Budget -YTD April 30,2023	\$ Change-Act vs Budget	Actual-YTD April 30,2022	\$ Change-Act vs PY	Spending	Actual-YTD April 30,2023	Amended Budget -YTD April 30,2023	\$ Change-Act vs Budget	Actual-YTD April 30,2022	\$ Change-Act vs PY
HAB	\$41,562,022	\$42,661,818	(1,099,796)	\$37,313,674	\$4,248,349	AFM Direct Marketing	\$33,230,255	\$34,512,142	-\$1,281,887	\$31,843,525	\$1,386,730
APEAM (net)	\$740,137	\$807,135	(\$66,998)	\$671,860	\$68,277	AFM Indirect Marketing	\$4,860,999	\$4,933,215	-\$72,216	\$4,308,372	\$557,627
Other income (Interest)	\$5,472	\$5,985	(\$513)	\$7,061	(\$1,589)	AFM Marketing Others	\$1,567,490	\$213,387	\$1,354,103	\$4,575,796	-\$3,008,306
Total contribution/Income	\$42,307,631	\$43,474,938	(\$1,167,307)	\$37,992,596	\$4,315,036	Total AFM Marketing	\$39,658,744	\$39,658,745	\$0	\$40,722,693	-\$1,063,949
% Change			-2.7%		11.4%	MHAIA Com/ Analytics	\$101,961	\$165,919	-\$63,958	\$123,084	\$0
						MHAIA Direct Marketing	\$107,840	\$107,840	\$0	\$107,321	\$519
						MHAIA Marketing Admin	\$739,640	\$776,152	-\$36,512	\$682,575	\$57,065
						Total MHAIA Marketing	\$949,440	\$1,049,911	-\$100,471	\$912,980	\$57,584
						Total General Administrative	\$718,432	\$785,432	-\$67,000	\$650,469	\$67,963
						Total Expenses	\$41,326,616	\$41,494,088	-\$167,471	\$42,286,142	-\$98,402
						% Change			-0.4%		-2.22%
						Cost per pound	\$ 0.02	\$ 0.02		\$ 0.02	

Change in Net Assets	Actual-YTD April 30,2023	Amended Budget -YTD April 30,2023	\$ Change-Act vs Budget	Actual-YTD April 30,2022	\$ Change-Act vs PY	Financial Position	Actual-YTD April 30,2023	Amended Budget -YTD April 30,2023	\$ Change-Act vs Budget	Actual-YTD April 30,2022	\$ Change-Act vs PY
Change in Net Assets	981,015	1,980,850	(999,835)	(4,293,546)	5,274,561	Cash & Cash	\$9,135,047	9,828,276	(\$693,229)	\$10,245,159	(\$1,110,112)
Retained Earnings-PY	8,755,742	8,714,038	41,704	13,417,786	(4,662,044)	Equivalents	\$4,631,265	5,801,403	(\$1,170,138)	\$3,462,912	\$1,168,353
Total Equity	9,736,757	10,694,888	(958,131)	9,124,240	612,517	Other Assets (AR/FA)	\$13,766,312	15,629,679	(\$1,863,367)	\$13,708,070	\$58,242
						Total Assets	\$13,766,312	15,629,679	(\$1,863,367)	\$13,708,070	\$58,242
						Total Liabilities	\$4,029,555	4,934,791	(\$905,236)	\$4,583,831	(\$554,276)
						Total Equity	\$9,736,757	10,694,888	(\$958,131)	\$9,124,240	\$612,517
						Total Net Assets/Liabilities	\$13,766,312	15,629,679	(\$1,863,367)	\$13,708,070	\$58,242
						Reserve Goal-15% of FY23-as of April'23	\$ 6,234,303	\$ 6,399,273	\$ (164,969)	\$ 5,597,051	\$ 637,252
						Budgeted FY 23 Reserve Goal-15%		\$ 8,108,773			

MHAIA FY 2023-2024 Targets:

🥑 Volume

- Crop Report
 - Continuous improvement in bringing real-time, actionable, analysis to stakeholders to enable accurate predictions and drive marketing goals.
 - Expand the use of Eviews and Historical data to create alternative projections for comparison purposes.
 - Use survey and historical data for quarterly report comparison analysis (APEAM vs. MHAIA reports)
- Harvest/Shipments
 - Continuous improvement on the Rebate Assessment Volume Differential Analysis
 - Develop Correction Methodology / Algorithms for Budgeting Purposes to Drive Accuracy

🥑 Marketing

- Continue Forest for Monarch Butterfly Program (FY22 – FY26)
- Crop reporting – Partnership With Jesus Jasso Aguilar and APEAM
- Follow-up Listeria Research (CPS)/National Wildlife Federation
- Texas A&M Analytics and Studies Partnership
- Hire-2 vacant positions (Analytics) and 1 Independent Contractor
- Implementation of the MHAIA Long Range Plan



Administrative

- Implement Phase 3 Automation of Financial Budgeting and Actuals reporting for MHAIA and AFM
 - *Expand Automation Between SAP, Adaptive, and Excel*
 - *Document requirements for a new Finance Planning System*
 - *Conduct research and select vendor to develop and implement new Finance Planning System*
- Freshen the look and feel of the MHAIA Website
 - *Add centralized MHAIA Information portal to connect with external and internal data sources such as AFM/MHAIA Business Intelligence System*
 - *Include an Automated E-Mail Linkage With Importers*
- Continue Oversight of AFM
- Audits-FY 2023 External Audit in July 2023
- Retain Gruber & Associates External Auditors (BOD approval)

MHAIA FY 2023-2024 Assumptions:

Volume and Contribution

- Harvest Volume – 3.11B pounds (*@Mid Level- 84.34% to US*), 6.61% inc. from FY 23 of 2.92B Lb
 - 90.27% or 2.81M pounds from Michoacan (85.2% to US), 5.28% inc. from FY23 of 2.67B Lb
 - 9.73% or 302.61M pounds from Jalisco (76.4% to US), 20.87% inc. from FY23 of 250.36M Lb
- Shipment Volume - 2.62B pounds gross (*@Mid Level- 2.39B pounds Michoacan and 231M pounds Jalisco*), 10.1% inc from FY23 of 2.38B Lb
- Organics-Rebate Volume - @ 2.75%
- Re-export- @ 0.16%
- Assessment from HAB - \$54.12M, 10.1% inc. from FY23 of \$49.15M
- APEAM support - \$1.57M, \$351K inc. from FY23 of 1.22M
- Interest-\$9K @.10% yield/annual

Marketing Spending

- Total Marketing spending – \$53.99M, 9.6% inc. from FY23 of \$49.27M
 - AFM Marketing- \$51.18M, 7.7% inc. or \$3.64M from FY23 of \$47.55M
 - MHAIA Communications and Analytics- 2 approved headcount - \$408.19K. Annualized cost, 2 open positions
 - MHAIA Marketing-\$2.8M, 62.8% inc. from FY23 of \$1.72M
 - Direct- Trade and PR- \$500K, 267.16K inc. from FY23
 - MHAIA Marketing Admin- \$1.85M, 636.54K inc. from FY23 of \$1.21M
 - AMS Program, Crop reporting Fees, Website and cloud services
 - Executive Director Fees with COLA/Adjustment ,discretionary bonus and other expenses (travel)
 - Strategic Consulting, 1 Independent contractor, Out of Pocket expenses



🥑 Administrative

- Total Net Administrative spending – **\$1.51M**, *26.3% inc. from \$1.19K*
 - Legal fees and travel - 2 lawyers
 - Bold Program Sponsorship
 - Finance Director fees with COLA/Adjustment, discretionary bonus and other expenses (travel)
 - Retain Gruber & Associates Auditors
 - Seminars and Training
 - Professional Services – ERP, Adaptive
 - Capex, Subscription Renewal Finance Systems SAP, Adaptive (shared system), New Planning System
- Cash Reserves – 15%

FY 2024 Proposed Budget Summary

	FY23 Budget- Amended	FY24 Budget- Proposed	\$ Change	% Change
Volume (in pounds)				
Gross	2,382,048,211	2,622,949,762	240,901,551	10.1%
Organic	(65,149,549)	(72,131,118)	(6,981,570)	10.7%
Re-export	(3,778,796)	(4,196,720)	(417,924)	11.1%
Net Volume	2,313,119,866	2,546,621,924	233,502,058	10.1%
Contribution/Revenue				
APEAM Board Contribution	\$ 1,216,598	\$ 1,567,394	350,796	28.8%
HAB Assessment	49,153,797	54,115,716	4,961,919	10.1%
Interest Income	7,285	9,000	1,715	23.5%
Total Contribution/Revenue	50,377,679	55,692,109	5,314,430	10.5%
Spending				
Total AFM Marketing	47,545,142	51,183,467	3,638,325	7.7%
Total MHAIA Marketing	1,722,272	2,803,619	1,081,347	62.8%
Total Marketing	49,267,414	53,987,086	4,719,672	9.6%
Total General Administrative	1,194,417	1,508,426	314,009	26.3%
Total Expenses	50,461,831	55,495,512	5,033,681	10.0%
Net Change in Assets				
Net Change in Assets -CY	(84,151)	196,598	280,749	-333.6%
Cash & Cash Equivalents				
Cash & Cash Equivalents, Beginning	7,743,213	8,072,929	329,716	4.3%
Inc/Dec Cash used by investing activities	(25,000)	(60,000)	(35,000)	140.0%
Inc/Dec in Operating Activities	438,866	1,148	(437,718)	-99.7%
Net Change in Assets	(84,151)	196,598	280,749	-333.6%
Cash Balance, End of the Period	8,072,928	8,210,674	137,746	1.7%
<i>Cash Ratio to Assessment sfrom HAB</i>	16.4%	15.2%		
<i>Reserve Goal (15% of Assessment sfrom HAB)-in \$</i>	\$ 7,373,070	\$ 8,117,357		



Statement of Financial Position and Cash Flows

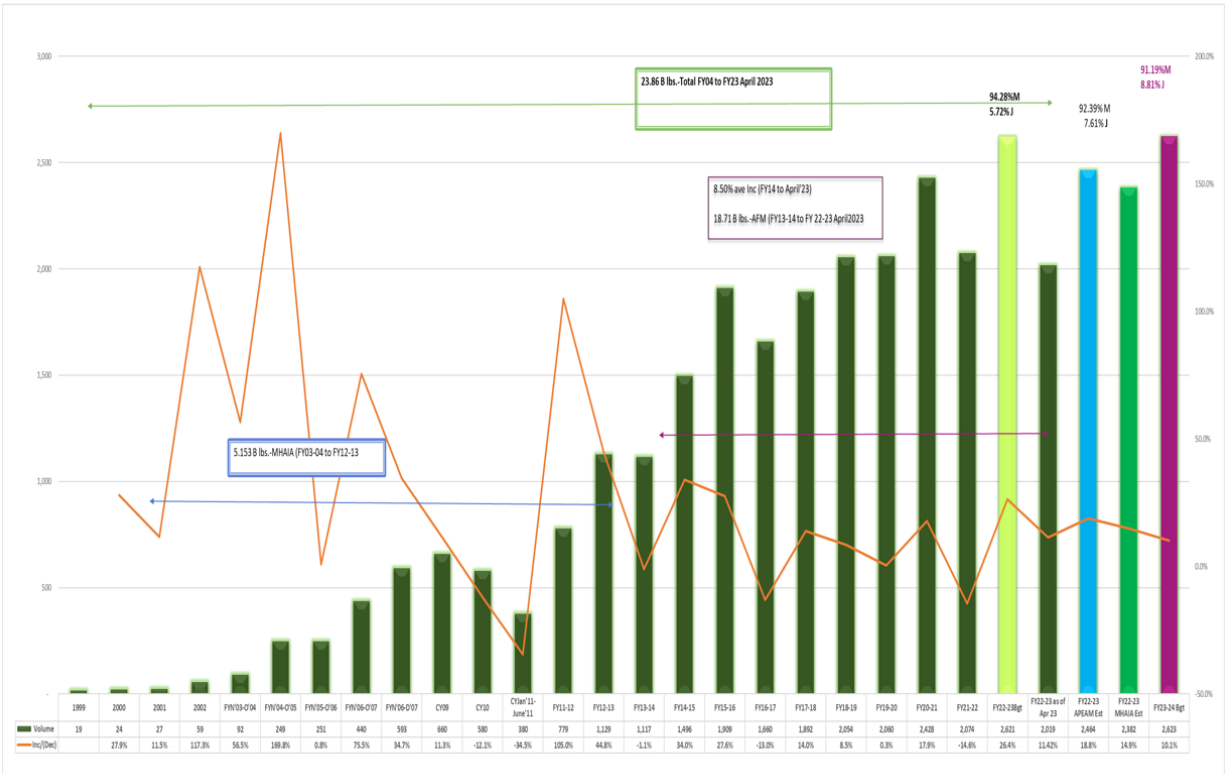
Proposed Budget

	FY 24		\$ Change	% Change
	FY 23 Amended	Proposed Budget		
Assets	\$ 11,391,045	\$ 11,479,284	\$ 88,239	0.8%
Current Assets	11,369,656	11,426,339	\$ 56,683	0.5%
Cash or Cash Equivalents	8,072,929	8,210,674	\$ 137,746	1.7%
Accounts Receivable	3,234,141	3,136,096	\$ (98,045)	-3.0%
Prepaid Expenses	62,587	79,569	\$ 16,982	27.1%
Non-Current Assets	21,389	52,945	\$ 31,556	147.5%
Liabilities and Net Assets	\$ 11,391,045	\$ 11,479,284	\$ 88,239	0.8%
Liabilities	2,761,158	2,652,798	\$ (108,359)	-3.9%
Net Assets	8,629,887	8,826,485	\$ 196,598	2.3%
Retained Earnings Previous Year	8,714,038	8,629,887	\$ (84,151)	-1.0%
Retained Earnings-CY	(84,151)	196,598	\$ 280,749	-333.6%
Cash Ratio to Assessment from HAB	16.4%	15.2%		
Reserve Goal (15% of Assessments fro	7,373,070	8,117,357		

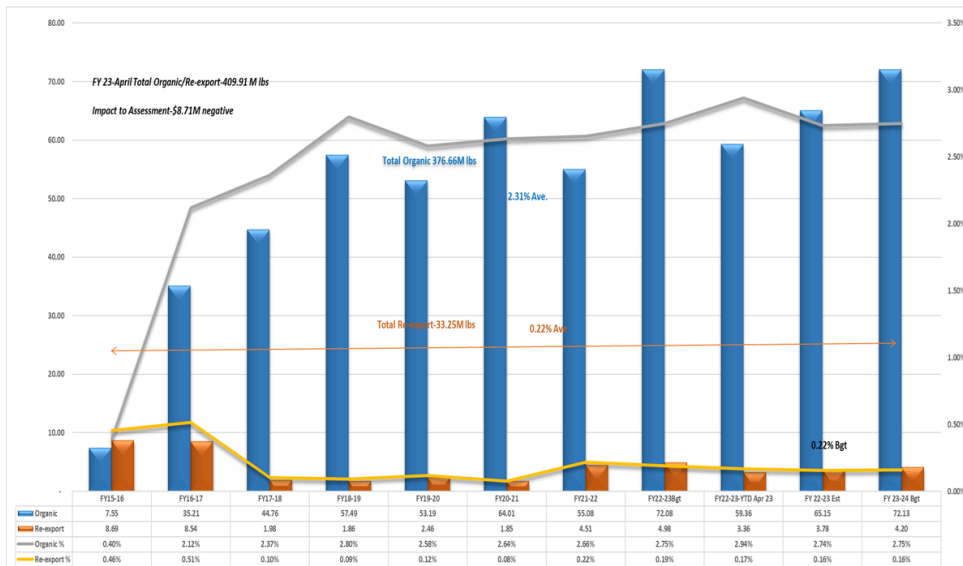
	FY-23 Amended Budget	FY-24 Proposed
CASH FLOWS FROM OPERATING ACTIVITIES		
Total change in net assets	\$ (84,151)	\$ 196,598
Depreciation	3,611	28,444
(Increase) decrease in operating assets:		
Accounts receivable - assessments from HAB	(661,993)	11,191
Accounts receivable - Intercompany-APEAM	(138,482)	86,854
Prepaid expenses	(843)	(16,982)
Increase (decrease) in operating liabilities:		
Accounts payable - domestic	20,371	(9,071)
Accounts payable - Intercompany-to and from AFM	1,248,233	(199,289)
Accrued liabilities	(32,031)	100,000
Total adjustments	438,866	1,148
NET CASH (USED) BY OPERATING ACTIVITIES	354,716	197,746
NET CASH USED BY INVESTING ACTIVITIES	(25,000)	(60,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	329,716	137,746
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	7,743,213	8,072,929
CASH AND CASH EQUIVALENTS, END OF PERIOD	8,072,929	8,210,674
Ratio to Assessment from HAB	16.4%	165.5%
Reserve Goal (15% of Assessments from HAB)-in \$	7,373,070	8,117,357
Reserve Ratio to Assessment from HAB	15.00%	15.00%
Excess Cash	699,859	93,317



Historical Gross Rebate Volume



Historical Organics and Re-export





Upon conclusion of the Treasurers report and budget presentation, Jon Ulrich motioned to approve the budget and spending plan for the year. Included in that motion was the approval to hire Gruber and associates to conduct the fiscal year financial audit. The motion was seconded by Ricardo Vega and passed without objection.

New Business and Public Comment:

The next set of meetings will be September 27 and 28.

There being no additional new business, Jaime Rivas motioned to adjourn which was seconded by Gary Caloroso. There was no objection.

Respectfully Submitted,

Ron Campbell, MHAIA Executive Director

I certify that the above is a true and accurate statement of the May 25, 2023, MHAIA Board of Directors Meeting.

Jon Ullrich, MHAIA Board Secretary