



**Mexican Hass Avocado Importers Association**  
**Board Meeting Minutes**  
**September 14, 2022**

**Place:**

AFM Headquarters Dallas, TX

**Time:** 9:00 AM – 1:30 PM CDT

**Board of Directors:**

Growers / Packers		Term Expires
Rigoberto Lemus (Secretary)	Director	2022
Ricardo Vega Jr.	Alt	2022
Dr. Antonio Ortiz Gonzalez	Director	2022
Lic. Juan Pablo Figueroa Cejudo	Alt	2022
Jaime Rivas Jr. (Treasurer)	Director	2023
Augustin del Rio	Alt	2023
Ivan Alejandro Oseguera Quintero	Director	2023
Jesus Domingo Calderon	Alt	2023

Importers		Term Expires
Jon Ullrich (Vice-Chair)	Director	2022
Jacqueline Solares	Alt	2022
Mike Chirico	Director	2022
Gahl Crane	Alt	2022
Gary Caloroso (Chair)	Director	2023
Stephan Fink	Alt	2023
Aaron Acosta	Director	2023
Peter Shore	Alt	2023

**AMS:** \_\_\_\_\_

Katie Cook

**Officially Present:** \_\_\_\_\_

Jose Luis Gallardo	Armando Lopez	David Ruiz
Dolora Sillman	Stephanie Bazan	Miguel Molina
Pilar Osario	Ivonne Kinser	Ana Ambrosi
Ron Campbell	Miguel Barcena	Mitzy Cordero
Alvaro Luque	David Spirito	Brad Barker
Kevin Brosch	Ron Lopez	

**Members**

Rigo Perez	Gwen Jackimek	Carlos Genel	Elizabeth Ayala
Dave Billings	Jacqueline Solares	Antonio Villasenor	Sergio Chavez
Joaquin Urias	Dave Billings	Stephan Klinge	Jeffery Onstot
Marco Hernandez			



**Guests:**

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Nikki Ford	Emiliano Escobedo	Ileri Villicana	John McGuigan
Alfonso Delgado	Gary Williams	Hector Soltero	

**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. Jon Ulrich motioned to approve the minutes which was seconded by Jaime Rivas. The motion passed without objection.

Chairman Caloroso introduced Ron Lopez from the auditing firm of Gruber and Associates to present 2021 – 2022 Combined Annual Independent Auditors report. A draft of the Auditors report was presented and distributed to the group and is included as an addendum to these minutes.

**Financial Highlights:**

**Statement of Activities**

- Consolidated revenues decreased by \$3.6M primarily due to a decrease in HAB assessment revenues (caused by and decrease in import volume from 2.08B lbs. in FY 21 to 2.01B lbs. in FY22).
- Consolidated marketing and promotion expenses increased by \$700K primarily due to increases in digital, food service, and market development programs.

**Net Assets, Cash Flows, and Statement of Financial Position**

- Consolidated net assets (equity) decreased by \$4.5M as a result of total revenues exceeding total expenses.
- Cash flows - consolidated cash and cash equivalents increased by \$8.5M.
- Statement of Financial Position (balance sheet)– Total consolidated assets decreased by \$9.3M primarily as a result of the \$7.9M decrease in cash. Consolidated liabilities decreased by \$5.0M primarily due to a decrease of \$3.1M in accounts payable.

**Results of the Audit:**

- We issued an *unmodified opinion* on the MHAIA's financial statements on August 31, 2022 (unmodified opinion is the highest opinion an auditor can issue).
- **No material weakness or significant deficiencies in internal controls under GAS.**
- **No non-compliance which is material to the financial statements under GAS.**
- **There were no insignificant findings or recommendations noted in the communication letter.**



The consolidated financial statements present fairly, in all material respects, the financial position of Mexican Hass Avocado Importers' Association and Subsidiary as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. In the summary schedule of prior year audit findings, it was noted that there were no findings noted for fiscal year ended June 30, 2021.

Treasurer Jaime Rivas introduced Finance Director Dolora Sillman to present the Treasurers Report. including the Consolidated Cash in Bank as of September 9,2022, Collateralization, Financial Summary as of August 31,2022, AFM Funding, and Historical volume below.

## AFM Funding Allocation

Funding allocation	Actual-YTD	Budget -YTD	Actual-YTD	Ratio-Actual-	Ratio-Budget-	Ratio-PY -YTD
	August 31,2022	August 31,2022	August 31,2021	YTD August 31'22	YTD August 31'22	
MHAIA to AFM	\$ 7,400,000	\$ 7,400,000	\$ 6,620,000	65.28%	64.98%	63.39%
APEAM to AFM	3,016,666	3,016,666	\$ 976,666	26.61%	26.49%	9.35%
APEAM to MHAIA	\$ 185,085	\$ 238,220	\$ 179,505	1.63%	2.09%	1.72%
APEAM Special Project	\$ 733,333	\$ 733,333	\$ 2,666,667	6.47%	6.44%	25.54%
<b>Total</b>	<b>\$ 11,335,084</b>	<b>\$ 11,388,219</b>	<b>\$ 10,442,838</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
MHAIA Communications/Analytics	24,588	58,994	23,991	100.00%	100.00%	
<b>Total Funding</b>	<b>\$ 11,359,672</b>	<b>\$ 11,447,213</b>	<b>\$ 10,466,828</b>			

Following the Treasurers Report, Gary introduced Pilar to provide the current crop and crop report forecast.

### Crop Report:

Pilar Osorio-Godoy began the presentation with the summary of the Fiscal year 21-22 with a final review comparing the projections by APEAM and MHAIA with the actual harvest and shipment volumes through the end of the year:



	HARVEST (Tons)		DIFFERENCE		SHIPMENTS (Tons)		DIFFERENCE	
	PROJECTION	ACTUALS	Tons	%	PROJECTION	ACTUALS	pounds	%
APEAM	1,135,868	1,061,693	74,175	6.5%	967,389	915,750	51,639	5.3%
MHAIA	1,217,595	1,061,693	155,902	12.8%	1,055,655	915,750	139,905	13.3%

	HARVEST (pounds)		DIFFERENCE		SHIPMENTS (pounds)		DIFFERENCE	
	PROJECTION	ACTUALS	pounds	%	PROJECTION	ACTUALS	pounds	%
APEAM	2,504,160,286	2,340,632,403	163,527,883	6.5%	2,132,727,843	2,018,883,167	113,844,676	5.3%
MHAIA	2,684,338,041	2,340,632,403	343,705,638	12.8%	2,327,321,082	2,018,883,167	308,437,914	13.3%

Afterwards, she presented the FY 22-23 Crop Report Summary, with actual harvest and shipments until September 4<sup>th</sup>, 2022, comparing the actual values with the projections from APEAM and MHAIA for Mexico as a total, and for each individual region (Michoacan and Jalisco).

### Mexico Total Crop Report Summary

Volume in Tons/Pounds at Gross	Tons	%	Pounds
<b>Crop Report by APEAM</b>			
2022-2023 Loca	332,277		732,546,097
2022-2023 First Stage	1,036,048		2,284,094,150
<b>FY 22-23-Total Projected Harvest</b>	<b>1,368,325</b>		<b>3,016,640,247</b>
Actual Harvest - As of September 4th, 2022	147,359	10.77%	324,870,985
<b>FY 22-23- Projected vs Actuals Difference</b>	<b>(1,220,966)</b>		<b>(2,691,769,262)</b>
<i>% Difference compared to Projected Harvest</i>	<i>-89.23%</i>		<i>-89.23%</i>
<b>Total FY 22-23-Projected Shipments</b>	<b>1,150,172</b>		<b>2,535,694,578</b>
<i>% Shipments compared to Projected Harvest</i>	<i>84.06%</i>		<i>84.06%</i>
Actual Shipments - As of September 4th, 2022	132,347	11.51%	291,774,192
<i>% Shipments compared to Actual Harvest</i>	<i>89.81%</i>		<i>89.81%</i>
<b>Total FY 22-23- Projected vs Actual Difference</b>	<b>(1,017,825)</b>		<b>(2,243,920,386)</b>
<i>% Difference compared to Projected Shipments</i>	<i>-88.49%</i>		<i>-88.49%</i>
<b>Crop Report by MHAIA</b>			
2022-2023 Loca	293,871		647,875,515
2022-2023 First Stage	1,093,064		2,409,793,993
<b>FY 22-23-Total Projected Harvest</b>	<b>1,386,936</b>		<b>3,057,669,508</b>
Actual Harvest - As of September 4th, 2022	147,359	10.62%	324,870,985
<b>FY 22-23- Projected vs Actuals Difference</b>	<b>(1,239,577)</b>		<b>(2,732,798,523)</b>
<b>Total FY 22-23-Projected Shipments</b>	<b>1,165,855</b>		<b>2,570,269,937</b>
<i>% Shipments compared to Projected Harvest</i>	<i>84.06%</i>		<i>84.06%</i>
Actual Shipments - As of September 4th, 2022	132,347	11.35%	291,774,192
<i>% Shipments compared to Actual Harvest</i>	<i>89.81%</i>		<i>89.81%</i>
<b>Total FY 22-23- Projected vs Actual Difference</b>	<b>(1,033,508)</b>		<b>(2,278,495,745)</b>
<i>% Difference compared to Projected Shipments</i>	<i>-88.65%</i>		<i>-88.65%</i>



### Michoacan Total Crop Report Summary

Volume in Tons/Pounds at Gross	Tons	%	Pounds
<b>Crop Report by APEAM - MICHOCAN</b>			
2022-2023 Loca	292,140		644,058,452
2022-2023 First Stage	981,209		2,163,195,556
<b>FY 22-23-Total Projected Harvest</b>	<b>1,273,349</b>		<b>2,807,254,009</b>
Actual Harvest - As of September 4th, 2022	133,196	10.46%	293,646,914
<b>FY 22-23- Projected vs Actuals Difference</b>	<b>(1,140,153)</b>		<b>(2,513,607,094)</b>
<i>% Difference compared to Projected Harvest</i>	<i>-89.54%</i>		<i>-89.54%</i>
<b>Total FY 22-23-Projected Shipments</b>	<b>1,073,051</b>		<b>2,365,672,953</b>
<i>% Shipments compared to Projected Harvest</i>	<i>84.27%</i>		<i>84.27%</i>
Actual Shipments - As of September 4th, 2022	123,584	11.52%	272,455,982
<i>% Shipments compared to Actual Harvest</i>	<i>92.78%</i>		<i>92.78%</i>
<b>Total FY 22-23- Projected vs Actual Difference</b>	<b>(949,467)</b>		<b>(2,093,216,971)</b>
<i>% Difference compared to Projected Shipments</i>	<i>-88.48%</i>		<i>-88.48%</i>
<b>Crop Report by MHAIA</b>			
2022-2023 Loca	253,734		559,387,870
2022-2023 First Stage	1,038,225		2,288,895,400
<b>FY 22-23-Total Projected Harvest</b>	<b>1,291,960</b>		<b>2,848,283,270</b>
Actual Harvest - As of September 4th, 2022	133,196	10.31%	293,646,914
<b>FY 22-23- Projected vs Actuals Difference</b>	<b>(1,158,764)</b>		<b>(2,554,636,356)</b>
<b>Total FY 22-23-Projected Shipments</b>	<b>1,088,734</b>		<b>2,400,248,312</b>
<i>% Shipments compared to Projected Harvest</i>	<i>84.27%</i>		<i>84.27%</i>
Actual Shipments - As of September 4th, 2022	123,584	11.35%	272,455,982
<i>% Shipments compared to Actual Harvest</i>	<i>92.78%</i>		<i>92.78%</i>
<b>Total FY 22-23- Projected vs Actual Difference</b>	<b>(965,150)</b>		<b>(2,127,792,330)</b>
<i>% Difference compared to Projected Shipments</i>	<i>-88.65%</i>		<i>-88.65%</i>

### Jalisco Total Crop Report Summary

Volume in Tons/Pounds at Gross	Tons	%	Pounds
<b>Crop Report by APEAM - JALISCO</b>			
2022-2023 Loca	40,137		88,487,645
2022-2023 First Stage	54,839		120,898,593
<b>FY 22-23-Total Projected Harvest</b>	<b>94,976</b>		<b>209,386,238</b>
Actual Harvest - As of September 4th, 2022	14,163	14.91%	31,224,070
<b>FY 22-23- Projected vs Actuals Difference</b>	<b>(80,813)</b>		<b>(178,162,168)</b>
<i>% Difference compared to Projected Harvest</i>	<i>-85.09%</i>		<i>-85.09%</i>
<b>Total FY 22-23-Projected Shipments</b>	<b>77,121</b>		<b>170,021,625</b>
<i>% Shipments compared to Projected Harvest</i>	<i>81.20%</i>		<i>81.20%</i>
Actual Shipments - As of September 4th, 2022	8,763	11.36%	19,318,211
<i>% Shipments compared to Projected Harvest</i>	<i>9.23%</i>		<i>9.23%</i>
<i>% Shipments compared to Actual Harvest</i>	<i>61.87%</i>		<i>61.87%</i>
<b>Total FY 22-23- Projected vs Actual Difference</b>	<b>(68,358)</b>		<b>(150,703,414)</b>
<i>% Difference compared to Projected Shipments</i>	<i>-88.64%</i>		<i>-88.64%</i>



The FY22-23 APEAM vs MHAIA Projections comparison was shared for the First stage Report:

	MICHOACAN	Volume (low)		Volume (Mid)		Volume (upper)	
		Tons	Pounds	Tons	Pounds	Tons	Pounds
LOCA	APEAM	265,848.0	586,094,514.3	292,140.0	644,058,452.2	318,433.0	702,024,594.8
	MHAIA	234,851.5	517,758,878.4	253,734.1	559,387,870.7	272,616.7	601,016,862.9
	Difference	30,997	68,335,636	38,406	84,670,582	45,816	101,007,732
	%	11.66%	11.66%	13.15%	13.15%	14.39%	14.39%
1ST STAGE	APEAM	912,524.0	2,011,771,051.7	981,209.0	2,163,195,556.3	1,049,894.0	2,314,620,061.0
	MHAIA	998,944.6	2,202,295,949.5	1,038,225.5	2,288,895,399.9	1,077,506.3	2,375,494,850.4
	Difference	-86,421	-190,524,898	-57,016	-125,699,844	-27,612	-60,874,789
	%	-9.47%	-9.47%	-5.81%	-5.81%	-2.63%	-2.63%
TOTAL HARVEST	APEAM	1,178,372.0	2,597,865,566.0	1,273,349.0	2,807,254,008.6	1,368,327.0	3,016,644,655.8
	MHAIA	1,233,796.1	2,720,054,827.9	1,291,959.6	2,848,283,270.6	1,350,123.0	2,976,511,713.2
	Difference	(55,424.1)	(122,189,261.9)	(18,610.6)	(41,029,262.0)	18,204.0	40,132,942.5
	%	-4.70%	-4.70%	-1.46%	-1.46%	1.33%	1.33%
JALISCO	APEAM	77,849.0	171,627,666.3	94,976.0	209,386,238.0	112,102.0	247,142,604.9
TOTAL HARVEST MEXICO	APEAM	1,256,221.0	2,769,493,232.3	1,368,325.0	3,016,640,246.5	1,480,429.0	3,263,787,260.7
	MHAIA	1,311,645.1	2,891,682,494.2	1,386,935.6	3,057,669,508.5	1,462,225.0	3,223,654,318.2
	Difference	(55,424.1)	(122,189,261.9)	(18,610.6)	(41,029,262.0)	18,204.0	40,132,942.5
	%	-4.41%	-4.41%	-1.36%	-1.36%	1.23%	1.23%

Upon conclusion of the Financial Audit, Treasurers Report and Crop Report, Chairman Caloroso requested a motion to accept the auditors report and treasurers Report as presented. Gahl Crane made the motion which was seconded by Jon Ullrich. There was no objection.

Seating of 2022 Board of Directors:

An importer election to fill two vacant importer seats and corresponding alternate seats was held during the summer of 2022 according to agreed upon procedures.

The ballot tally summary schedule, in descending order by vote count, was provided to MHAIA. Results of the top candidates with the highest number total number of votes were as follows:

**Final Elected Importer Directors:**

1. Jon Ullrich, Henry Avocado
2. Jacqueline Solares, Calmich Produce

**Final Elected Importer Director Alternates:**

3. Elizabeth Ayala, Tancitaros Finest Fruit LLC
4. Gwen Jackimek, DelMonte



In addition, APEAM held a separate process to appoint growers and packers to the new board.

For the Packers Ricardo Vega Perez was appointed as Director and his alternate will be Antonio Villasenor Zurita.

For the growers, Antonio Ortiz Gonzalez was appointed as a Director and Juan Pablo Figueroa Cejudowill be his alternate.

Therefore the 2023 MHAIA Board of Directors is below.

**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 (seat vacated by Stephan Fink)*	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	

\*Seat vacated by Stephan Fink in midterm. John Dmytriw received the next highest number of votes in the election and was appointed the seat.

Jon Ulrich’s term as Vice Chair and Rigoberto Lemus’ term as Secretary have expired. Therefore, the board entertained a motion to fill both officer positions.

Jaime Rivas motioned to appoint Antonio Ortiz Gonzalez to fill the Vice Chairman position. The motion was seconded by Gary Caloroso. There was no objection.

Gary Caloroso motioned to appoint Jon Ullrich as Secretary which was seconded by Jaime Rivas. There was no objection.

Regarding the AFM / JEC board, all positions on each parent board remained the same and each of the chairmen of the respective boards saw no need to make a change to the marketing



specialists' positions. Therefore, the JEC will readjourn upon conclusion of the MHAIA to vote on officer positions for the coming year.

#### Economic Benefits Analysis – Texas A&M

Dr. Gary Williams provided an update on the benefits to the U.S. economy as a result of Mexican avocado exports to the United States.

In FY 2021/22, U.S. imports of Mexican Hass avocados contributed the following to the U.S. economy (comparison to FY 2019/20 in parentheses):

- \$11.2 billion in output or spending (\$6.5 billion);
- \$6.1 billion to the U.S. GDP (value-added) (\$4.0 billion);
- 58,299 jobs (33,051 jobs);
- \$3.9 billion in labor income (\$2.2 billion); and
- \$1.3 billion in taxes (\$1.1 billion).

Every dollar of Mexican Hass avocado imports in FY 2021/22 generated \$2.79 dollars in output, \$1.51 in U.S. GDP, and \$0.98 in labor income.

#### HAB Nutrition Research and Activities – Dr. Nikki Ford

Dr. Ford provided an update on HAB nutrition activities. A copy of the presentation can be made available upon request.

#### New Business and Public Comment:

The next set of meetings will be February 22 and 23. There was discussion on the possibility of holding the meeting off-site in Las Vegas. Alvaro and the team will do a cost comparison of moving the meeting or conducting it in a hotel ball room close to the office. The office space is expected to be under construction during those days.

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

Respectfully Submitted,

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Ron Campbell, MHAIA Executive Director

I certify that the above is a true and accurate statement of the September 14, 2022 MHAIA Board of Directors Meeting.

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Jon Ullrich, MHAIA Board Secretary