



**AMERICAN PECAN**

**COUNCIL FULL**

**COUNCIL**

**WEDNESD**

**AY July 27,**

**2022**

**1:00 p.m. Central Time**

**HILTON DFW LAKES EXECUTIVE CONFERENCE  
CENTER**

**1800 Highway 25E**

**Grapevine, TX 76051-9641**

**(817) 481-8444**

**MINUTES**

**I. CALL TO ORDER – Mike Adams, Chairman, 1:02 p.m.**

**A. ROLL CALL**

**Eastern Region Growers**

Seat	Member		Alternate	
1	Trent Mason (GA)		Angie Ellis (GA)	
2	Buck Paulk (GA)	X	Brent Brinkley (GA)	X
3	Lenny Wells (GA)	X	John D. Taylor (NC)	

**Central Region Growers**

Seat	Member		Alternate	
1	Shannon F. Ivey (TX)	X	Lalo Medina (TX)	X
2	Mike Adams (TX)	X	Mike Spradling (OK)	X
3	Larry D. Womack (TX)		Billy Scott Landgraf (OK)	

**Western Region Growers**

Seat	Member		Alternate	
1	Louis J. Salopek (NM)	X	Kortney Chase (NM)	X
2	Leslie L. Daviet II (NM)	X	Frank Paul Salopek (NM)	
3	Phillip Arnold (NM)		John L. Heuler (CA)	X

### **Eastern Region Shellers**

Seat	Member		Alternate
1	Jeff Worn (GA)		Vacancy
2	Lawrence B. Willson	X	Vacancy

### **Central Region Shellers**

Seat	Member		Alternate
1	Vacancy		Steve Zaffrano X
2	Dan York (AR)	X	Vacancy

### **Western Region Shellers**

Seat	Member		Alternate
1	Deborah E. Walden-Ralls (AZ)	X	Vacancy
2	Blake Houston (CA)		Vacancy

### **Accumulator**

Seat	Member		Alternate
1	Will Easterlin (GA)	X	Mark Hamilton (OK)X

### **Public Member**

Seat	Member		Alternate
1	Ron Hays (OK)		Dr. Steve BLIZZARD (TX)

### **STAFF:**

Alexander OTT	American Pecan Council
Jeff SMUTNY	American Pecan Council
Emma GARNER	American Pecan Council
Julianna GIBSON	American Pecan Council
Deborah BARNETT	American Pecan Council
Kristi MOSQUERO	American Pecan Council

### **OVERSIGHT:**

Aigail MAHARAJ	USDA
Delaney FUHRMEISTER	USDA

- B. ESTABLISH QUORUM
- C. CHAIRMAN UPDATE & EXECUTIVE DIRECTOR UPDATE
- D. APPROVAL OF PREVIOUS MINUTES
  - 1) March 23, 2022

**MOVED** by Dan YORK, duly seconded by Les DAVIET and unanimously carried  
THAT the Council approve the minutes of March 23, 2022as amended. (**MOTION 7/26/2022 #1**)

## II. GOVERNANCE COMMITTEE

### A. FINANCIALS

**MOVED** by Larry WILLSON, duly seconded by Lalo MEDINA and unanimously carried THAT The Council approve the Governance Committee financial report as presented. **(MOTION 7/26/2022 #2)**

### B. COMPLIANCE – CONSENT ITEMS

- 1) Approval of Legal Counsel for Employee/Contractor Related Activities
- 2) Approval of Line-Item Transfers with Oversight by Chairman
- 3) Approval of No-Costs Extensions with Oversight by Chairman
- 4) Approval of Utilizing Reserve Dollars to Assist in Funding 2022 – 2023 Budget
- 5) Approval of Governance Committee to Approve Contractors for Governance Related Activities

**MOVED** by Shannon IVEY, duly seconded by Deborah RALLS and unanimously carried THAT the council approve the Compliance Consent Items listed above as presented. **(MOTION 7/26/2022 #3)**

### C. REVIEW & APPROVAL of FINANCIAL AUDIT

**MOVED** by Louie SAPLOPEK, duly seconded by Will EASTERLIN and unanimously Carried THAT the Council approve the 2021-2022 Audited Financials. **(MOTION 7/26/2022 #4)**

### D. APPROVAL OF GOVERNANCE BUDGET FOR 2022-2023

Each year, the Council must approve a budget. This portion of the budget focuses on the General Administration and Compliance portions of the APC budget.

Each year, the Council must approve a budget. This portion of the budget focuses on the General Administration and Compliance portions of the APC budget.

G&A	-	\$ 420,800 (savings of \$52,000)
Compliance	-	\$ 250,000 increase of \$25,000
Contract/Management/Staff	-	\$ 573,000 (savings of \$435,266)

TOTAL: \$1,243,800 (savings of \$462,266)

**MOVED** by Les DAVIETT, duly seconded by Larry WILLSON and unanimously Carried THAT the Council approve the 2022-2023 General Administration And Compliance Budget. **(MOTION 7/26/2022 #5)**

### E. APPROVAL OF COMPLIANCE PROGRAM 2021-2022

**MOVED** by Louie SALOPEK, duly seconded by Larry WILLSON and unanimously Carried THAT the Council approve the 2022-2023 General Administration and Compliance Budget. **(MOTION 7/26/2022 #6)**

## III. INTERNATIONAL COMMITTEE

### A. COMPLIANCE – CONSENT ITEMS

- 1) Approval of Line-Item Transfers with Oversight by Chairman
- 2) Approval of International Committee to approve contractors for International Related Activities
- 3) Approval of International Committee to approve MAP & EMP Expenditures

**MOVED** by Dan YORK, duly seconded by Les DAVIETT and unanimously Carried THAT the Council approve the International Committee Compliance Consent items as presented. **(MOTION 7/26/2022 #7)**

#### B. APPROVAL OF INTERNATIONAL BUDGET FOR 2022-2023

Each year, the Committee must recommend a budget to the Council. The Council will then review the budget and recommend it to USDA for final approval.

China (MAP & EMP) -	\$ 900,000
Germany (MAP) -	\$ 650,000
Contingency -	\$ 500,000
India (EMP & Match)-	\$ 300,000
INC Nut Research -	\$ 100,000
Callanan UES Consult-ing	\$ 95,000
Travel & Conferences-	\$ 80,000
<b>TOTAL:</b> -	<b>\$2,625,000</b>

**This budget is based on APC's total UES/EMP ask of \$1,750,000. The remaining funding of \$875,000 represents hard dollars from assessments and reserve dollars. The line items may need to be adjusted up or down based on the actual MAP/EMP allocation delivered in November.**

**MOVED** by Les DAVIETT, duly seconded by Shannon IVEY and unanimously Carried THAT the Council recommend the 2022-2023 International Committee Budget at the total of @2,625,000 to USDA for approval.  
**(MOTION 7/26/2022 #8)**

#### UPDATE ON INTERNATIONAL PROJECTS

- 1) China
- 2) Germany
- 3) India
- 4) UK

## INDUSTRY RELATIONS COMMITTEE

### C. COMPLIANCE – CONSENT ITEMS

- 1) Approval of Line-Item Transfer with Oversight by Chairman
- 2) Approval of Industry Relations Committee to hire contractors for Industry Relations Activities

**MOVED** by John TAYLOR, duly seconded by Steve ZAFFRANO and unanimously carried THAT the Council approve the Industry Relations Committee Compliance Consent items presented.  
**(MOTION 7/26/2022 # 9)**

### D. APPROVAL OF INDUSTRY RELATIONS COMMITTEE BUDGET 2022-2023

The following is the projected budget for the 2022-2023 FY.  
These costs will cover many upcoming activities, including: association sponsorships, communication materials, staff travel, workshops, and other necessary industry materials.

#### 2022-2023 BUDGET

<u>Compliance</u>	-	\$5,000
Compliance Materials	-	
Workshops	-	\$5,000
<u>Industry Relations Activities</u>	-	\$50,000
Communication Materials	-	
Annual Report	-	\$8,000
Handler Portal Maintenance	-	\$70,000
Association Sponsorships	-	\$70,000
Meltwater	-	\$22,000
Travel	-	\$50,000
<u>Industry Research</u>	-	\$225,000
NASS	-	
<hr/>		
TOTAL	-	\$505,000

**MOVED** by Louie SALOPEK, duly seconded by John TAYLOR and unanimously carried THAT the Committee approve a Recommendation to the Council for the Industry Relations Committee budget for 2022-2023 FY **(MOTION 7/26/2022 #10)**

### E. CROP FORECASTING UPDATE

F. FORM CHANGES AND ELECTRONIC REPORTING UPDATE

IV. MARKETING COMMITTEE

A. COMPLIANCE – CONSENT ITEMS

- 1) Approval of Line-Item Transfer with Oversight by Chairman
- 2) Approval of Marketing Committee to hire contractors for Marketing activities

**MOVED** by Lalo MEDINA, duly seconded by Deborah RALLS and unanimously carried THAT the Council approve the Marketing Committee Compliance Consent items. **(MOTION 7/26/2022 #11)**

B. APPROVAL OF MARKETING COMMITTEE BUDGET 2022-2023

Each year, the COUNCIL must recommend a budget to USDA for marketing activities. The USDA will then review the budget and consider it for approval.

Eat Well Global	-	\$500,000
Aspire IQ Consulting	-	\$350,000
Travel	-	\$ 40,000
RFTB Website	-	\$ 24,000
<b>TOTAL:</b>	-	<b>\$914,000</b>

**MOVED** by Les DAVIETT, duly seconded by Shannon IVY and unanimously carried THAT the Council recommend the 2022-2023 Marketing Committee budget to USDA. **(MOTION 7/26/2022 #12)**

C. APPROVAL OF MARKETING POLICY STATEMENT FOR 2022 – 2023

**MOVED** by Louie SALOPEK, duly seconded by Dan YORK and Unanimously carried THAT the Council recommend the Marketing Policy Statement to eh USDA for approval. **(MOTION 7/26/2022 #13)**

V. GRADES, STANDARDS & RESEARCH COMMITTEE

A. COMPLIANCE – CONSENT ITEMS

- 1) Approval of Line-Item Transfer with Oversight by Chairman
- 2) Approval of Grades & Standards Committee to hire contractors for G&S Activities

**MOVED** by Louie SALOPEK, duly seconded by Les DAVIETT and unanimously carried THAT the Council approve the Grades, Standards & Research Committee Compliance Consent items. **(MOTION 7/26/2022 #14)**

**B. APPROVAL OF 2022 – 2023 G&S BUDGET**

The following is the projected budget for the 2022-2023 FY.

**2022-2023 BUDGET**

Grades & Standards

Quality Assurance Program	-	\$ 50,000	Travel	-	\$ 30,000
---------------------------	---	-----------	--------	---	-----------

---

TOTAL	-	\$ 80,000
-------	---	-----------

**2021-2022 BUDGET**

Research

Shelf-Life Study	-	\$100,108
------------------	---	-----------

Research Contingency	-	\$100,000
----------------------	---	-----------

---

TOTAL	-	\$200,108
-------	---	-----------

**MOVED** by Louie SALOPEK, duly seconded by Les DAVIETT and unanimously carried THAT the Council approve a recommendation to USDA for the Grades, Standards & Research Committee budget for the 2022-2023 FY. **(MOTION 2/26/2022 #15)**

- C. VOLUNTARY QUALITY ASSURANCE PROGRAM UPDATE
- D. USDA GRADES & STANDARDS UPDATE

**VI. APPROVAL OF TOTAL BUDGET**

The Council, based on the meetings discussion will approve the 2022 – 2023 FY Budget.

**Projected Revenue**

<b>Projected Revenue</b>	<b>Dollars</b>	<b>% of Revenue</b>
22-23 Improved	\$2,610,000	39%
22-23 Native/Seedlings	\$0	0%
22-23 Substandard	\$0	0%
2022 MAP Funding	\$1,700,000	26%
2022 EMP Funding	\$500,000	7%
Past Outstanding	\$400,000	6%
Carry Over		
- Research	\$100,000	11%
- Shelf-Life	\$100,108	
- IRI	\$150,000	
- Health Research	\$385,000	
Reserve Dollars	\$700,000	11%
<b>TOTAL</b>	<b>\$6,645,108</b>	<b>100%</b>

**Projected Expenditures**

<b>Departments</b>	<b>Budget 2021 - 2022</b>	<b>Budget 2022 - 2023</b>	<b>% of Budget</b>
Industry Relations	\$676,000	\$505,000	9%
General Administration	\$1,447,066	\$420,800	7%
Compliance	\$225,000	\$250,000	4%
Contract/Management/Staff		\$573,000	10%
Marketing	\$6,285,000	\$914,000	15%
Grades & Standards	345,000	\$80,000	1%
International Relations	\$2,510,000	\$2,625,000	45%
Contingency	\$186,326	\$542,200	9%
<b>TOTAL</b>	<b>8,064,000</b>	<b>\$5,910,000</b>	<b>100%</b>

**CONTINGENCY FUND EXPENDITURES**

<b>Departments</b>	<b>Budget 2021 - 2022</b>
<i>Contingency Fund</i>	
Research	\$100,000
<b>TOTAL</b>	<b>\$100,000</b>

**NO-COSTS EXTENSIONS FOR 2021 - 2022 (Continued Projects from Current Year)**

<b>Departments</b>	<b>Budget 2021 - 2022</b>
Research	
Shelf-Life Study	\$100,108
IRI	\$150,000
Health Research	\$385,000
<b>TOTAL</b>	<b>\$635,108</b>

**MOVED** by Les DAVIETT, duly seconded by Deborah RALLS and unanimously carried THAT Council approve the 2022-2023 FY Budget. **(MOTION 7/26/2022 #16)**



**VII. NEW BUSINESS**

Abigall MAHARAJ spoke about the election and how vacancies may be filled at the next meeting.

Mike ADAMS thanked Buck PAULK, Larry WILLSON, Dan YORK and Dan ZEDAN for their service. He also stressed the importance of the Pecan Congress and spoke of the possibility of a mini congress or regional congress

**VIII. ADJOURNMENT**

**MOVED** by Larry WILLSON, duly seconded by Dan YORK, and unanimously carried THAT the meeting be adjourned at 3:22 p.m. (**MOTION 7/26/2022 #17**)

Respectfully submitted,

*Deborah Barnett*

Deborah Barnett

Operations Manager

## **SUMMARY OF ACTIONS FOR JULY 26, 2022**

### **MOTION 7/26/2022 #1**

MOVED by Dan YORK, duly seconded by Les DAVIET and unanimously carried THAT the Council approve the minutes of March 23, 2022.

### **MOTION 7/26/2022 #2**

MOVED by Larry WILLSON, duly seconded by Lalo MEDINA and unanimously carried THAT The Council approve the Governance Committee financial report as presented.

### **MOTION 7/26/2022 #3**

MOVED by Shannon IVEY, duly seconded by Louie SALOPEK and unanimously carried THAT the council approve the Compliance Consent Items listed above as presented.

### **MOTION 7/26/2022 #4**

MOVED by Louie SAPLOPEK, duly seconded by Will EASTERLIN and unanimously carried THAT the Council approve the 2021-2022 Audited Financials.

### **MOTION 7/26/2022 #5**

MOVED by Les DAVIETT, duly seconded by Larry WILLSON and unanimously carried THAT the Council approve the 2022-2023 General Administration and Compliance Budget.

### **MOTION 7/26/2022 #6**

MOVED by Louie SALOPEK, duly seconded by Larry WILLSON and unanimously carried THAT the Council approve the 2022-2023 General Administration and Compliance Budget.

### **MOTION 7/26/2022 #7**

MOVED by Dan YORK, duly seconded by Les DAVIETT and unanimously carried THAT the Council approve the International Committee Compliance Consent items as presented.

### **MOTION 7/26/2022 #8**

**MOVED** by Les DAVIETT, duly seconded by Shannon IVEY and unanimously carried THAT the Council recommend the 2022-2023 International Committee Budget at the total of @2,625,000 to USDA for approval.

**MOTION 7/26/2022 # 9**

MOVED by John TAYLOR, duly seconded by Steve ZAFFRANO and unanimously carried THAT the Council approve the Industry Relations Committee Compliance Consent items presented.

**MOTION 7/26/2022 #10**

MOVED by Louie SALOPEK, duly seconded by John TAYLOR and unanimously carried THAT the Committee approve a Recommendation to the Council for the Industry Relations Committee budget for 2022-2023 FY

**MOTION 7/26/2022 #11**

MOVED by Lalo MEDINA, duly seconded by Deborah RALLS and unanimously carried THAT the Council approve the Marketing Committee Compliance Consent items.

**MOTION 7/26/2022 #12**

MOVED by Les DAVIETT, duly seconded by Shannon IVEY and unanimously carried THAT the Council recommend the 2022-2023 Marketing Committee budget to USDA.

**MOTION 7/26/2022 #13**

MOVED by Louie SALOPEK, duly seconded by Dan YORK and unanimously carried THAT the Council recommend the Marketing Policy Statement to eh USDA for approval.

**MOTION 7/26/2022 #14**

MOVED by Louie SALOPEK, duly seconded by Les DAVIETT and unanimously carried THAT the Council approve the Grades, Standards & Research Committee Compliance Consent items.

**MOTION 2/26/2022 #15**

MOVED by Louie SALOPEK, duly seconded by Les DAVIETT and unanimously carried THAT the Council approve a recommendation to USDA for the Grades, Standards & Research Committee budget for the 2022-2023 FY.

**MOTION 7/26/2022 #16**

MOVED by Les DAVIETT, duly seconded by Deborah RALLS and unanimously carried THAT Council approve the 2022-2023 FY Budget.

**MOTION 7/26/2022 #17**

MOVED by Larry WILLSON, duly seconded by Dan YORK, and unanimously carried THAT the meeting be adjourned at 3:22 p.m.