



Board Meeting Notice

Sent and posted August 24, 2018

Via Teleconference Call

DATE: Wednesday, September 5, 2018
TIME: 10:00 A.M. - 3:00 P.M.
ACCESS NUMBER: +1 408 638 0968 (US Toll) or +1 646 558 8656 (US Toll)
PASSCODE/ Meeting ID: 466 870 1284
Or Join with the link: <https://zoom.us/j/4668701284>
LOCATION: Yolo County Farm Bureau Office
69 W Kentucky Ave.
Woodland, CA 95695

*Board Members wishing to participate in the meeting VIA TELECONFERENCE CALL must notify Crystal Sandoval via email to (csandoval@californiawheat.org) or by Fax to (530) 661-1332 at least 24 hours prior to the listed meeting. **Failure to do so will disqualify you from participation.***

AGENDA

- 10:00 a.m. I. Call to Order
- Announcement of 2018 Producer Election Results
 - Roll Call/Establish Quorum
- 10:05 a.m. II. Introduction of Guests
- 10:10 a.m. III. Public Comment
- 10:15 a.m. IV. Approval of Agenda
- 10:20 a.m. V. Officer Elections
- Recommendations from the Nominating Committee
 - Election of Chairman, Vice Chairman and Secretary/Treasurer
 - New Officers Assume Position
- VI. At-Large Member/Alternate and Public Member/Alternate
- Nominations from the Nominating Committee
- 10:35 a.m. VII. Approval of Previous Board Meeting Minutes
- April 18, 2018 - Board Meeting
- VIII. Acceptance of Previous Committee Minutes



- April 13, 2018 - Executive Committee
 - April 16, 2018 - Research Committee
- 10:40 a.m. IX. Commissioners Reports
- 11:00 a.m. X. FY 17/18 Audit Report - Damore Hamric & Schneider, Inc
- 11:20 a.m. XI. Staff Reports
- 11:40 a.m. XII. CAWG Written Report
- 12:00 p.m. ADJOURN FOR LUNCH
- 01:00 p.m. XIII. Market Development
- Steering Committee Report and Recommendations
 - Desert Durum® Certification Mark use
- 02:25 p.m. XIV. Financial Reports
- FY 17/18 Income/Expense Final Report
 - FY 18/19 YTD Income/Expense Report
 - FY 18/19 Budget Change Proposal
 - Cash Flow Statement through 8/31/18, CDs, and Money Market
 - Vacation Accrual Report
- 02:45 p.m. XV. Public Comment
- 02:55 p.m. XVI. Set Next Meeting Date - December 4 or 5, 2018 - Proposed
- 03:00 p.m. ADJOURN MEETING

Note: The times listed for each agenda item are estimated and subject to change. It is possible that some of the agenda items may not be able to be discussed prior to adjournment. Consequently, those items will be rescheduled to appear on a subsequent agenda. All agenda items are subject to discussion and possible action. All interested parties are invited to attend the meeting. Time will be allowed for members of the public to make comments on each agenda item (up to 2 minutes). To make a request for more information, or to make a request regarding a disability-related modification or accommodations for the meeting, please contact Isabel Alvarado at 530-661-1292, or 1240 Commerce Ave., Ste. A, Woodland, CA 95776, or via email at irivera@californiawheat.org. Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. This notice and agenda are available online at www.californiawheat.org.

ROLL CALL

DISTRICT	1:	Commissioner: Alternate:	<u>John Walker</u>
DISTRICT	2:	Commissioner: Alternate:	<u>Bill Cruickshank</u> <u>Larry Hunn</u>
DISTRICT	3:	Commissioner: Alternate:	
DISTRICT	4:	Commissioner: Alternate:	<u>Dennis Pelucca</u>
DISTRICT	5:	Commissioner: Alternate:	<u>Nathanael Siemens</u>
DISTRICT	6:	Commissioner: Alternate:	<u>Scott Schmidt</u>
DISTRICT	7:	Commissioner: Alternate:	<u>Mike Carlisle</u> <u>Jordan Parsons</u>
DISTRICT	8:	Commissioner: Alternate:	<u>Jim Parsons</u> <u>Kirk Elholm</u>
DISTRICT	9:	Commissioner: Alternate:	<u>Ron Rubin</u> <u>Roy Motter</u>
HANDLER	1:	Commissioner: Alternate:	<u>Mark Mezger</u>
HANDLER	2:	Commissioner: Alternate:	<u>Michael Edgar</u>
AT LARGE	1:	Commissioner: Alternate:	<u>Lee Jackson</u>
PUBLIC:		Commissioner: Alternate:	<u>Steven Windh</u> <u>Damon Sidles</u>



Approved by the Board _____

**CALIFORNIA WHEAT COMMISSION
Board Meeting
Yolo County Farm Bureau
69 W Kentucky Ave.
Woodland, California**

Minutes of April 18, 2018

Opening Business

The meeting was held at the Yolo County Farm Bureau in Woodland, CA.

Call to Order

The meeting of the California Wheat Commission was called to order by Chairman Steve Windh at 10:05 AM on Wednesday, April 18, 2018, in Woodland, California.

Roll Call

Roll Call was conducted, and a quorum was established. Members present for all or part of the meeting included:

John Walker
Bill Cruickshank
Larry Hunn (Left at 12:05pm)
Dennis Pelucca
Scott Schimdt
Mike Carlisle
Jordan Parsons
Jim Parsons (Arrived at 10:15am)
Kirk Elholm
Ron Rubin
Mark Mezger (Left at 1:08 pm)
Michael Edgar
Lee Jackson
Steven Windh

Introduction of Guests

Guests present for all or part of the meeting included: Dennis Manderfield, CDFA Marketing Branch; Nick Matteis, Executive Director, California Association of Wheat Growers; Jorge Dubcovsky, UC Wheat Breeder, and Mark Lundy, Assistant CE Specialist in Grain Cropping Systems at UC Davis.

Agenda

#1: MOTION WAS MADE BY RON RUBIN AND SECONDED BY KIRK ELHOLM TO APPROVE THE AGENDA. MOTION CARRIED UNANIMOUSLY WITH NO ABSTENSION.

Previous Meeting Minutes

#2: MOTION WAS MADE BY BILL CRUICKSHANK AND SECONDED BY MIKE CARLISLE TO APPROVE DECEMBER 7, 2017 BOARD MEETING MINUTES. MOTION CARRIED UNANIMOUSLY WITH NO ABSTENSION.

Commissioner Reports

Michael Edgar: Survey estimates determined by the commission match with my thoughts on what the acreage will be for the desert durum crop. Looks like will be an average yield, price is the biggest issue were facing.

Larry Hunn: Planted the same acres as last year, the crop is a lot better than last year. Adams is promoting food grade barley which is an alternative for growers. Wheat market took a hit and is not doing good.

Scott Schimdt: Grain in our area is mostly going to dairies, planted this year hadn't planted the last two years. The acres are being pinched a little bit because there is a lot of permanent crops going in.

Lee Jackson: Surveys around this area nice even crops, good weather. Received a good amount of rain around 15 inches. Don't see any big disease problems coming this year.

Jordan Parsons: Most of the grain will be going to the dairies, the dry land crop is not doing very good.

Mike Carlisle: I agree with Jordan dryland is not doing good at all, last year was one of the best, but silage prices are good. Most of it will be going to green chop.

Bill Cruickshank: Crop is looking good has been very resilient. Attended USW winter meeting in DC with Claudia. Attended the long range planning program meeting executive director grain food foundation, presented check off program that will come from the millers. There is a huge decline in bread sales per capita 3.8 billion since 2011. Changing demographics, Hispanic population is up, and Asian population is low, and there is also a lot more millennials in the system. Trying to figure out ways for them to have bigger consumption. Push for FMD funding, have a good case to get it approved. Other speakers USDA under secretary Greg Ibot from Nebraska looked at simplifying

bio tech approval process, rural connectivity, rural access to medical care. Its more of an issue in the mid-west Derrick Sanderson chairmen of marketing and international trade for Washington state department of agriculture, talked about Washington agriculture mainly, and the main commodities, and trade partners for them.

Jim Parsons: Dryland is not doing great, irrigated is doing well. There is just not a lot around of a crop this year.

John Walker: There is more winter wheat being planted in the north. Its really wet so have not planted yet. Might not plant until next week if there is more rain coming. Things are looking up for us, good rainfall.

Ron Rubin: We have some concerns about water, we have what we need for this year. It will cause shortage next year in some areas. Imperial Valley is growing 22,000 acres of irrigated durum this year. There is a lot in storage from the last couple of years, running low on storage space. Looking for places to store, if they don't sell it will be a problem barns are already full. Seed sales will probably be low.

Kirk Elholm: Dryland crop is nonexistent, most will be going to green chop. Only a small amount will be harvested in the kings and Fresno area, mostly for feed.

Dennis Pelucca: Wheat will go for grain in Stockton, and Stanislaus area. Delta region planted late, but it looks good and will go for grain. Wild goose populations are high and causing damage to fields. Dairy planted for their own use, there was not very much contracting for wheat in the area this year. There is a lot of other options available for feed. Don't see any disease hope there will be no frost.

Discussion took place about the low wheat market

Mark Mezger: Crop looks decent surprisingly, thanks to the rainfall the last couple of months, prices are not doing good.

UC Research Report/Budget Request

Jorge Dubcovsky presented his 2017-2018 annual research report, on what he accomplished through the year (May 1, 2017, to April 30, 2018). He gave a report on the upcoming variety releases: Breeder seed of UC1817 'UC-Central Red', UC1836 'UC-Lassik-RS', UC1837 'UC-Patwin-515RS', UC1848 'UC-Desert King RS' and UC1850 'UC-Desert Gold' which were deliver to the Foundation Seed Program to produce Foundation seed in 2018. He also gave an extensive report on the regional trials. He gave an update on the resistant starch lines, breeder seed of the three new high-resistant starch (RS) varieties were delivered to the Foundation Seed Program and Foundation in October 2017 and will be allocated to seed dealers in 2018. They submitted PVP Applications for three high-RS varieties: HWS UC-Patwin-RS (UC1837, PVP Application No. 201800058), UC-Lassik-RS (UC1836, PVP Application No. 201800070), and UC-Desert King-RS (UC1848, PVP Application No 201800069).

Mark Lundy gave his evaluation of Small Grains in California 2017-2018 (UC Small Grain Variety Testing Program). Lundy went over the progress of data available to growers through the variety selection tool, and went over the benefits and real world

application examples of using this tool. He also gave a summary of crop conditions for the year. Lundy presented a proposal for research funding to the board for herbicide resistant ryegrass management, the objective of the proposed research is to evaluate possible alternatives for the management of herbicide resistant ryegrass. Attention will be given to possible use of pre-emergent herbicides, an option not commonly adopted by California growers. A minimum of two field experiments (depending on cooperators availability) will be established. Data collection will include herbicide efficacy, crop safety and yield. The project would be led by Mariano Galla, UCCE Agronomy & Weed Science Advisor, Glenn, Butte and Tehama counties in collaboration with Mark Lundy.

Administrative Issues

Claudia went over the referendum results, the commission was approved to continue for another five years. 3,372 wheat producers were sent ballots, and out of those 430 voted in the referendum with 367 votes in favor to continue at 85%.

Claudia went over elections for this year, district 1, 4, 7, and public member are up for election. For those who are in the positions and would like to continue must submit a nominating petition and run for the new term. Steve Windh is terming out as public member, Claudia suggested perhaps he can be appointed as alternate. Mark Mezger, and Michael Edgar were moved up to member positions for handlers to fill vacancies. Handler alternate positions are now open and can be filled by any handlers interested in joining the commission. Steve asked the board for volunteers to join a nominating committee. Dennis Pelucca, Scott Schimdt, and Jim Parsons volunteered to be in the nominating committee.

Claudia went over the current handler audit policies, we do 2 handler audits a year. CDFA conducts the audits at \$1,000 each. They did the first audit for this year with no findings, and they are working on the second one. Prior year there was one with findings of \$3,500 and the handler paid it in full. In the past there was one that had over \$25,000 in findings. Claudia recommended we moved forward with 3 audits a year, the cost is low enough that 3 would be manageable.

#3: MOTION WAS MADE BY JIM PARSONS AND SECONDED BY RON RUBIN TO APPROVE 3 HANDLER AUDITS FOR FY 18/19. MOTION CARRIED UNANIMOUSLY WITH ONE ABSTENSION.

Confirmation of Outside Auditor

Claudia went over the outside auditor's confirmation, Damore Hamric & Schneider. This year's audit will be \$10,500.

#4: MOTION WAS MADE BY JOHN WALKER AND SECONDED BY BILL CRUICKSHANK TO KEEP EXISTING AUDITORS DAMORE HAMRIC AND SCHNEIDER INC. MOTION CARRIED UNANIMOUSLY WITH NO ABSTENSION.

Staff Reports

Claudia gave a presentation on her outreach and market development efforts outlook for the coming year. She went over the key meetings she will attending this year that

align with the commissions mission for the wheat industry, and recent meetings she attended. She attended the US Wheat Associates (USW) meeting in Washington DC this year along with Bill Cruickshank. She was able to attend hill visits along with CAWG, and presentations. Mr. Len Heflich, President of Innovation for Success, LLC and vice-president of Global Food Safety, Quality and Crisis Management for Grupo Bimbo in Mexico City gave a presentation about his concerns about the declining of US wheat quality and, stated as one of the reasons being no incentives for growers to be paid for quality. Mr. Heflich mentioned that today due to the lack of high quality wheat, bakers need to add extra gluten (as an ingredient called Vital Wheat Gluten) as high as 6%; whereas before, about 40 years ago, white bread only contained ~1.5% gluten. Gluten is an expensive ingredient and more difficult to work with than just wheat. In addition, he mentioned that this ingredient might go into shortage, a problem for many bakers who use it to maintain consistency.

Claudia also spoke about her trip to Spain along with Bill Cruickshank funded by the Grupo Iñesta Company. The trip included visits to their headquarters to learn about their agricultural products and different farming operations in the Region of Andalucía, Spain. Also visited farms producing different crops such as: lettuce, oranges, wheat, tomatoes, peppers, and others. The visits also included Greenhouse operations, and two wheat farms and met with the growers. She also attended Latin American Cereals Conference (LACC) and International Gluten Workshop (IGW) organized by International Association for Cereal Science and Technology (ICC) and the International Maize and Wheat Improvement Center (CIMMYT) in Mexico City. Where she visited CIMMYT headquarters and toured their largest seed bank, and their wheat quality Lab. In general, most of the presentations were focused on wheat with enhanced wheat nutritional value such as high zinc wheat, high phenolic compounds, high antioxidants (anthocyanins), high resistant starch (fiber), and many other nutritional related researches. She also attended the state executives meeting last march where twelve State Wheat Commissions were in attendance. Among many issues were discussed, the States provided recommendations to US Wheat regarding upcoming meetings and locations. Also, each state provided an overview of their programs and how assessments are handled and how do each state deals with organic wheat participants not reporting or not willing to submit assessments. Most of the states reported increased in refunds; which tends to be higher than average during years of low wheat prices.

Crystal gave a brief overview on our electronic newsletters, we have been sending them out since January of last year. We send the newsletters out on a quarterly basis. Pertinent news is sent out as well as it comes available that time sensitive that will be of interest to growers, and industry. We average about 1000 views per newsletter, one of them reached 3000 views. A newsletter aimed towards growers received 2000 views. Our contact list as of now is just over 800, so we are reaching further out than our mailing list which is shown through the higher views. This year we sent out a printed newsletter for the referendum, and we would like to continue to send a printer version once a year. Many growers are easier to reach by sending out a paper copy, for those who do not use email.

Steve spoke to the board about the current state of the wheat industry and moving forward changes must be made for the California wheat industry to succeed. He spoke about Claudia's strategic plan for California wheat, and asked the board for their input on the plan. The work to implement the strategic plan is beyond reach of just one in

individual, Steve asked for volunteers to form a steering committee to aid in the implementation of the plan. Scott Schmidt, Steve Windh, Bill Cruickshank, Lee Jackson, Jordan Parsons, and Ron Rubin volunteered to be on the steering committee. Kirk Elholm, Jorge Dubcovsky, and Nick Matteis offered to participate as well to assist in the efforts.

FY 17/18 Financial Reports

Claudia went over the financial reports, she mentioned we are currently at 92% of our fiscal year. Claudia went over the income statement as of March 31, assessments are lower than projected at just over \$569,000. Lab income varies depending on the crop quality samples received every year. Lab income is at \$121,974, of that \$50,000 is from a private breeder that has continued to send us samples every year. Refunds were higher this year than what we have seen in the past, which aligns with the low wheat prices. Our income for this year so far is \$682,771. Claudia went over the general and administrative expenses, they are all within what was expected to be spent. Research contracts are spent for what was approved. Publications were over spent since the referendum newsletter was not accounted for when preparing the budget. Lab income is within was projected, and operational expenses are under what was budgeted. Capital expenses are also lower than what was budgeted. Projections for the end of the fiscal year leaves us at a net position of \$673,913, which is lower than the beginning of the year at \$866,729.

Claudia went over the cash flow statement, the total cash on hand is \$701,027.55. Assessment projections are expected to be less that the projected \$600,000.

Claudia went over the in-kind expenses to be a total of \$171,087.50. It includes samples processed for both Jorge and Mark's program as well as crop quality, and the collaborator program. It is higher than last year since there are more samples being processed for both UC research programs. Lee Jackson asked about how the lab is handling the work load, Claudia responded to him that they are at capacity but can sustain it. Claudia also went over CD's and money market accounts which have a balance of \$693,301.11.

FY 18/19 Budget Proposal

Steve went over research proposal funding, contracts were signed for two years. He mentioned to the board he feels we need to honor the commitment made last year. Claudia went over assessment projections, she based her numbers both on USDA projections, and what was received from growers for the variety survey. To know the percentage of harvest going for grain vs green chop is highly dependent on the input of handlers. With this information there is 3 possible scenarios, with the projected assessment being just over \$600,000. Claudia went over the possibility of increasing the assessment rate. The rate must be within one percent of the gross value, which is based on last years crop production. Dennis Manderfield explained further how the assessment rate calculations is achieved. Claudia went over the budget detail, the total income at the end of the fiscal year is budget to be about \$729,100. Salaries were discussed, Claudia explained to the board salaries and benefits are all rolled over into one-line item. Claudia went over general and administrative expenses total for the year will be \$330,100. Research expenses are set at \$335,000 with an addition of \$4,000 for

proposed research project from the UC pending approval to be disbursed. Market development and outreach expenses are set to be \$83,000 for the year. \$15,000 of that is budgeted for US wheat to continue to be a contributing member at 25%. Bill reiterated to the board the importance to stay on the US Wheat board, to support their efforts in foreign markets. Jim commented on the matter agreeing with bill, that is beneficial for us to support them. Claudia proposed slight increases to support her travels to support market development, and outreach. She mentioned to the board that she is selective when attending meetings, to ensure their relevance to California wheat. Capital expenses are budgeted at \$8,500 to replace a mill for the lab, that is needed to process samples. The total expenses for the year as budgeted are set at \$959,600, including the additional \$4,000 in research.

#5: MOTION WAS MADE BY JIM PARSONS AND SECONDED BY JOHN WALKER TO APPROVE BUDGET AS PRESENTED WITH AMMENDMENTS FOR FY 18/19. MOTION CARRIED UNANIMOUSLY WITH NO ABSTENSION.

#6: MOTION WAS MADE BY RON RUBIN AND SECONDED BY JIM PARSONS TO KEEP ASSESSMENT RATE AT \$.075 FOR FY 18/19. MOTION CARRIED UNANIMOUSLY WITH NO ABSTENSION.

CAWG Report

Nick Matteis, Executive Director of CAWG reported about the Winter Conference in Washington, DC.

Closing Discussion

Jim brought to the board to discuss the possibility to collect a check off from green chop. Scott discussed efforts were made in the past to see the effort would be feasible to accomplish, findings concluded that it will not be possible. The commission will not be able to continue functioning as it is, the charter will have to completely change, and the wheat commission would cease to exist. Further discussion took place on the matter.

Future Meeting Date

The next meeting of the California Wheat Commission will be Thursday, August 30, 2018.

Meeting Adjourned at 03:03 PM.

Respectfully submitted,

Crystal Sandoval, Office Assistant

Approved by the Board on _____, 2018

Steve Windh, Chairman



Accepted by the Commission

on _____

**CALIFORNIA WHEAT COMMISSION
Executive Committee
Via Teleconference**

MINUTES OF April 13, 2018

OPENING BUSINESS

Call to Order

The meeting of the Executive Committee of the California Wheat Commission was held on Friday, April 13, 2018. Committee Chairman Steve Windh called the meeting to order at 3:04 pm.

Roll Call

Roll Call was conducted. Quorum was established.

Committee members present were:

Steve Windh, Chairman
Bill Cruickshank
Ron Rubin

Also present were Claudia Carter, Crystal Sandoval, and Justin from CDFA

Approval of Agenda

#1: MOTION WAS MADE BY RON RUBIN AND SECONDED BY STEVE WINDH TO APPROVE THE AGENDA. MOTION CARRIED.

Financials FY 17/18

Claudia went over the financials with the committee. She mentioned that financials are on an accrual basis. Assessments are at 81% of projected for the year, lab income for crop quality was higher due to an increase in samples. Lab analysis income will include up to the month of April on an accrual basis projected to be \$135,000 for the year. There was an increase of refunds this year due to the low price of wheat. Discussions took place on lab income projections for the end of the fiscal year. Publications were over spent this year, to print a newsletter for referendum, which was not taken into consideration when the budget was set. Salaries and operating expenses for the lab are within what was budgeted for the year. Operating expenses for the lab vary from year to year,

and that is taken into consideration when setting up the budget. Capital expenses were within budgeted, net position at the end of the year is projected to be \$674,065. Assessments are low due to low wheat prices, affecting the commission's revenue. Further discussion on assessments took place. Claudia went over the cash flow statement as of March 31, 2018, as well as status of CD's and Money Market accounts. Ron Rubin asked Claudia about the rates for interest earned for our accounts, he suggest they see if higher rates are available.

Budget Proposal FY 18/19

Claudia went over assessment projection for FY18/19 and explained the various scenarios of possible assessment revenue based on internal variety survey, as well as USDA data. Claudia suggest we stay on the conservative side and set the budget at \$600,000 for assessment revenue, the executive board agreed with the decision.

Claudia went over the budget detail, interest will be lower based on a reduction of reserves. Other income will be \$100 that is received from the grain foundation for a management fee. Crop quality income is set to receive \$10,000, and lab analysis income will be \$120,000. Lab analysis income includes a contract with a breeder that accounts for a substantial amount of our income, they are happy with our work and will continue to work with us. Lab income from training will be \$5,000. Assessment refunds is estimated to be about \$10,000. Salaries were briefly discussed; further discussion will take place at the upcoming board meeting. Office expenses were in the same range from previous years, \$3000 was allocated this year for staff expenses. Building maintenance is budgeted for \$1000 this year. Insurance expenses are estimated and can vary, it is budgeted to be around \$15,000. Professional services are budgeted at \$18,250 which includes attorney fees, computer services, and handler audits. CDFA is budgeted at \$19,500 for this year for overhead charges. Commission meetings, and Condominium fees are set for the year no increase from previous year. Ron asked what is included in the budgeted amount for commission meetings, and it was clarified all expenses for board meetings including travel, lodging, meals, and any other related expenses are included. Justin from CDFA mentioned to the board that handler audits will be closer to \$900 range, it is budgeted at \$1000 to be on the safer side in case of an increase. Research budgeted at \$335,000, which is set based on the contract agreement. Commissioner expenses are set at \$6,500 and that is to cover all expenses for US Wheat meetings. Publications will be increased to continue printing one newsletter a year. Trade teams are budgeted at \$1,500 in case we get any this year. Market development and outreach are increased to \$12,000 which will include more domestic travel from last year, international will be about the same. US Wheat Associates contract will be \$15,000. Bill mentioned to the board the importance to continue to be on the US Wheat board to be involved in their efforts. Lab salaries are set at \$150,000, and operating expenses are set at \$40,000. Net income at the end of the year based on proposed budget will be -\$220,875 deficit, and net position will be \$453,190 if the budget is passed as proposed. In the future budget will have to be significantly decreased in order keep minimum levels in reserves. Assessment rate increase possibility was discussed, Claudia will be putting a report together with possible rate increases to be discussed at the board meeting.

2018 Elections

Steve will be asking the board for volunteers at the next meeting to be part of a nominating committee in preparation for elections. Claudia will be going over the election procedures at the board meeting.

Administrative Issues

Claudia went over her strategic plan for California wheat, she explained about her idea for a quality certification program, as well as putting together a preferred variety list. She will be sending it out to the whole board to further discuss at the next board meeting.

Meeting adjourned at 4:23 PM

Respectfully submitted,

_____,
Crystal Sandoval, Office Assistant

Accepted by the Commission on _____, 2018

Steven Windh, Chairman



Accepted by the Commission Board on _____

**CALIFORNIA WHEAT COMMISSION
Research Committee Meeting
Via teleconference**

MINUTES OF April 16, 2018

OPENING BUSINESS

Call to Order

A meeting of the Research Committee of the California Wheat Commission was held on Monday, April 16, 2018, via teleconference call. Committee Chairman Ron Rubin called the meeting to order at 3:06 pm.

Roll Call

Roll Call was conducted. Committee members present were:

Ron Rubin, Chairman
Lee Jackson
Jim Parsons
Roy Motter
Kirk Elholm (Called in at 3:15 pm)

A quorum was present.

Approval of Agenda

#1: MOTION WAS MADE BY ROY MOTTER AND SECONDED BY RON RUBIN TO APPROVE THE AGENDA. MOTION CARRIED WITH NO ABSTENTIONS.

FY 18/19 BUDGET OUTLOOK

Claudia went over FY 17/18 financials. The net income is projected to be a deficit of (\$192,663), which would lead to a net position at the end of the year of \$674,065. Reserve policy states we must have 25% of a 3-year average of our expenses, which means we need to have at least \$275,000 in reserves. If the budget for FY 18/19 is approved as budgeted the net income would be a deficit of (\$220,875), with a net position of the end of the year at \$453,190, which would still be within the range of our reserve policy.

FY 18/19 FUNDING RECOMMENDATIONS

Claudia mentioned to the committee they must decide if they would like to continue the research funding as previously approved considering our current financial status. Jim parsons commented to the board that he feels the commission should continue to fund the research as approved if possible. Lee Jackson suggested we continue the funding as previously approved for this year, and possibly similar funding the following year we would still be able to stay within reserves. Moving forward we should let the researchers know they might be cut in the future, they should be able to make arrangements if they have a year notice. Ron Rubin agrees we should fund what we have previously committed, and we would still be able to have enough in reserves. Roy commented we should keep the commitment as is, reserves would hold. Moving forward re-asses in the future and cut if necessary. Extensive discussion took place on research funding.

#2: MOTION WAS MADE BY ROY MOTTER AND SECONDED BY LEE JACKSON TO KEEP RESEARCH FUNDING AS APPROVED FOR U. C BREEDING, AND U.C. TESTING AT \$198,000/\$137,000 FOR THE SECOND YEAR OF THE CONTRACT.

MOTION PASSED UNANIMOUSLY, WITH NO ABSTENTIONS

Mark Lundy sent in a proposal on behalf of a colleague for research on controlling rye grass. Proposal was discussed, and it was decided there was not enough information provided at this time to arrive at a decision. Further discussion on the proposal will take place at the upcoming board meeting.

Jim Parson mentioned to the committee that he would like to bring up the concept of collecting assessment for green chop at the board meeting. Discussion took place on the matter, Claudia will be looking into it in preparation for the board meeting.

Meeting adjourned at 3:37 PM.

Respectfully submitted,

Crystal Sandoval, Office Assistant

Accepted by the Commission Board on _____, 2018

Ron Rubin, Research Committee Chairman



**California Wheat Commission
2018 Board of Directors Election
Final Tally
Voting Period: July 24, 2018 – August 13, 2018**

DISTRICT 1	
Commissioner Nominees	Votes
John Walker	1
Alternate Nominees	
Bryce Crawford*	1

*denotes write-in candidate

DISTRICT 4	
Commissioner Nominee	Votes
Dennis Pelucca	0

DISTRICT 7	
Commissioner Nominees	Votes
Mike Carlisle	6
Alternate Nominees	
Jordan Parsons	5

David Hillis
CDFA Marketing Branch

August 21, 2018

Date

California Wheat Commission				
Board Members and Term Dates				
District	Counties Included	Commissioner	Alternate	Current Term Expires
1	Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Sierra, Siskiyou, Trinity	Walker (2024)		2021
2	Butte, Colusa, Glenn, Lake, Marin, Mendocino, Napa, Sonoma, Sutter, Tehama, Yolo, Yuba	Cruickshank (2025)	Hunn (2025)	2019
3	Amador, El Dorado, Placer, Nevada, Sacramento, Solano			2020
4	Alameda, Alpine, Calaveras, Contra Costa, Madera, Mariposa, Merced, Mono, San Joaquin, Stanislaus, Tuolumne	Pelucca (2027)		2021
5	Monterey, San Benito, San Francisco San Luis Obispo, San Mateo, Santa Barbara, Santa Cruz, Santa Clara, Ventura	Siemens(2029)		2020
6	Fresno	Schmidt (2025)	Ruble (2030)	2019
7	Inyo, Kings, Tulare	Carlisle (2027)	Parsons (2027)	2021
8	Kern, Los Angeles, Riverside, San Bernardino	Jim Parsons (2029)	Elholm (2029)	2020
9	Imperial, Orange, San Diego	Rubin (2028)	Motter (2028)	2019
Handler 1	Elected statewide by all handlers.	Mezger (2028)	Dinubilo (2030)	2019
Handler 2		Edgar (2028)		2019
At-Large Member	Recommended by CWC; appointed by CDFA.	Jackson (2022)	Windh (2030)	3/1/2019
Public Member	Recommended by CWC; appointed by CDFA.	Kohler (2030)	Sidles (2024)	8/30/2021

Terms of each office are limited to four full 3-year terms. Year in parentheses is the year the board member will be termed out in their current position.



To: California Wheat Commission
From: ISABEL RIVERA
DATE: SEPTEMBER 5, 2018
SUBJECT: OPERATIONS MANAGER

Update

Returned to work on July 16, 2018, and still catching up on various meetings and events that happened during my maternity leave.

I have also continued my college education and currently attending Sacramento State University.

Audit

Prepared and assisted during our FY 17/18 audit along with Crystal Sandoval's assistance.

Export Data

Gathered data from June 2017 through May 2018 to put together the annual California Wheat Exports report.

Certified Seed Guide

Currently working on the Certified Seed Guide in collaboration with wheat breeders.



To: CALIFORNIA WHEAT COMMISSION
From: CRYSTAL SANDOVAL
DATE: SEPTEMBER 5, 2018
SUBJECT: OFFICE ASSISTANT

MEETINGS

- Participated in meeting planning, and creating content for meetings.
- Completed all meeting minutes, during isabel's leave

VARIETY SURVEY

- Isabel completed data collection before leaving for maternity leave, I was able to assist claudia with extrapolations, and completing the final survey report. Survey was published on May 2, 2018.

NEWSLETTERS

- Quarterly newsletters are continually put out, and we are receiving positive feedback.
- Completed in collaboration between claudia and myself

ELECTIONS

- Elections were conducted at the end of July and beginning of august
- Took care of all preparations, and mailing out of postcards and ballots.

FORM 700

- Followed up with commissioners, all annual reports were completed.

FY 17/18 AUDIT

- Damore, Hamric, & Schneider, Inc., spent the week of August 30- July 3 at the Commission office conduction the annual audit.
- Sent out confirmation reports, and with with auditors on preparations for the audit.
- Isabel and myself were present for the audit

Upcoming:

Maternity Leave – Will be going on leave the last week of November. Will be taking 4 months off.



To: California Wheat Commission
From: TENG VANG
DATE: August 31, 2018
SUBJECT: LAB MANAGER REPORT

Crop Quality

- Crop quality harvest sample collection pick up in June and July from different handlers in California and expanding sample collection pick up. One additional handler was added this year.
- Train UC student interns to help process crop quality samples, Jorge's breeding samples, and Mark's regional trial plots samples. Four students were hired this year.
- In the next couple of weeks, I will be analyzing data and will be working on the crop quality report and U.S. wheat crop quality report.

Jorge and Mark Lundy's Program

- Expanding wheat and flour quality testing for all regional trial locations instead of just Davis and Fresno for common wheat and durum wheat. There is a total of 9 sites per common wheat and 5 sites per durum wheat
- All 9 sites for common wheat evaluations are completed for the 2017 harvest year. Results have been submitted to Mark, and they will have it published on their website.

Alejandra

- Alejandra spent a 2-day training course hands on baking on whole wheat bread baking with Craig Ponsford at the Central Milling Petaluma, CA location on August 27 and 28.
- She learned formulations, methods and procedures, and the process of baking whole wheat artisan bread from mixing, shaping, scoring, and baking.

Collaborator Meeting

- Analyzed and organized flour samples for the annual 2018 collaborator meeting in Davis on October 3, 2018.
- Syngenta and Josey Baker have been added to the common wheat evaluation panel.
- On October 3, 2018, I will be presenting the preferred variety list method at the collaborator meeting

Upcoming Meetings:

- I will attend the 2018 CA Grain Campaign Post-Harvest Field Day on Monday, September 17, 2018
- I will be a part of the panel for the morning session.

**CALIFORNIA WHEAT COMMISSION
FINAL FY 17/18 Income / Expense**

	FY 2017/18 APPROVED 8/30/2017 \$.075/cwt	FY 2017/18 ACTUAL (as of 04/30/18) \$.075/cwt	% of Budget	FY 2017/18 PROJECTED End of FY 17/18 \$.075/cwt
INCOME:				
401. ASSESSMENTS	\$700,000	\$595,097	85%	\$600,000
402. INTEREST	\$4,000	\$6,205	155%	\$6,150
403. OTHER INCOME	\$100	\$125	125%	\$100
407. LABORATORY				
CROP QUALITY	\$8,000	\$12,310	154%	\$12,310
LABORATORY ANALYSIS (+Training)	\$135,000	\$111,859	83%	\$113,000
405. REFUNDS	(\$20,000)	(\$15,064)	75%	(\$15,064)
TOTAL INCOME	\$827,100	\$710,532	86%	\$716,496
EXPENSES:				
GENERAL & ADMINISTRATIVE				
501. SALARIES	\$238,398	\$231,422	97%	\$238,398
502. STAFF EXPENSE	\$3,000	\$3,320	111%	\$3,320
503. OFFICE EXPENSE	\$11,600	\$7,737	67%	\$8,000
504. OFFICE SERVICES	\$10,700	\$10,110	94%	\$10,000
506. INSURANCE	\$16,520	\$11,580	70%	\$12,000
508. PROFESSIONAL SERVICES	\$19,000	\$13,367	70%	\$13,500
509. CDFA	\$19,000	\$21,321	112%	\$19,800
513. COMM MTGS	\$6,182	\$5,646	91%	\$6,000
516. CONDOMINIUM FEES	\$4,100	\$4,722	115%	\$4,750
521. Building Maintenance	\$10,000	\$9,702	97%	\$9,702
TOTAL G&A EXPENSES	\$338,500	\$318,927	94%	\$325,470
RESEARCH				
601. RESEARCH CONTRACTS	\$330,000	\$328,333	99%	\$328,333

**CALIFORNIA WHEAT COMMISSION
FINAL FY 17/18 Income / Expense**

	FY 2017/18 APPROVED 8/30/2017 \$.075/cwt	FY 2017/18 ACTUAL (as of 04/30/18) \$.075/cwt	% of Budget	FY 2017/18 PROJECTED End of FY 17/18 \$.075/cwt
MARKET DEVELOPMENT/OUTREACH				
505. INFORMATION/MEMBERSHIP	\$3,550	\$3,137	88%	\$3,000
510. CAWG CONTRACT	\$20,000	\$20,000	100%	\$20,000
512. COMM EXPENSE	\$6,000	\$6,415	107%	\$6,500
600. TECHNICAL SERVICES	\$4,500	\$4,749	106%	\$4,749
602. PUBLICATIONS	\$1,500	\$4,953	330%	\$4,953
603. TRADE TEAMS	\$1,500	\$1,394	93%	\$1,394
604. MARKET DEVELOPMENT	\$10,000	\$10,221	102%	\$10,000
605. USWA	\$18,950	\$19,950	105%	\$19,950
621. WHEAT VARIETY SURVEY	\$4,000	\$2,773	69%	\$2,018
624. OUTREACH	\$10,000	\$10,078	101%	\$10,100
TOTAL MARKET DEVELOPMENT	\$80,000	\$83,670	105%	\$82,664
LABORATORY				
617. LABORATORY				
SALARIES	\$143,481	\$143,559	100%	\$135,000
OPERATING EXPENSE	\$38,500	\$29,500	77%	\$30,000
TOTAL LAB	\$181,981	\$173,059	95%	\$165,000
OTHER				
626. CAPITAL EXPENSE				
OFFICE	\$1,000	\$0	0%	\$0
LABORATORY	\$12,000	\$0	0%	\$0
TOTAL CAPITAL EXPENSE	\$13,000	\$0	0%	\$0
526. Reimbursed Expenses				
529. Bad Debt				
525. Depreciation Expenses		\$17,474		
TOTAL EXPENSES	\$943,481	\$921,464	98%	\$901,467
NET INCOME	(\$116,381)	(\$210,932)	181%	(\$184,971)
Adjustments to reconcile Net Income				
Net Cash by Operating Activities		(\$214,151)		
Net Cash by Investing Activities		8632.56		
Net Cash Increase for Period		(\$205,518)		
Changes In Net position:				
Net Position, Beginning of Year	\$866,729	\$866,729		\$866,729
Net Position, End of Year	\$750,348	\$661,211		\$681,757

CALIFORNIA WHEAT COMMISSION
FY 18/19 Income / Expense as of 8/31/18

	FY 2017/18 FINAL <i>(as of 04/30/18)</i> \$.075/cwt	FY 2018/19 APPROVED 4.18.18 \$.075/cwt	YTD 2018/19 30% of FY <i>(as of 8/31/18)</i> \$.075/cwt	% of Budget
INCOME:				
401. ASSESSMENTS	\$595,097	\$600,000	\$305,129	51%
402. INTEREST	\$6,205	\$4,000	\$1,766	44%
403. OTHER INCOME	\$125	\$100	\$0	0%
407. LABORATORY				
CROP QUALITY	\$12,310	\$10,000	\$0	0%
LABORATORY ANALYSIS (+Training)	\$111,859	\$125,000	\$62,155	50%
405. REFUNDS	(\$15,064)	(\$10,000)	\$0	0%
TOTAL INCOME	\$710,532	\$729,100	\$369,049	51%
EXPENSES:				
GENERAL & ADMINISTRATIVE				
501. SALARIES	\$231,422	\$253,000	\$67,695	27%
502. STAFF EXPENSE	\$3,320	\$3,000	\$1,066	36%
503. OFFICE EXPENSE	\$7,737	\$8,000	\$2,537	32%
504. OFFICE SERVICES	\$10,110	\$10,000	\$4,046	40%
506. INSURANCE	\$11,580	\$15,000	\$5,258	35%
508. PROFESSIONAL SERVICES	\$13,367	\$18,500	\$1,049	6%
509. CDFA	\$21,321	\$19,500	\$5,394	28%
513. COMM MTGS	\$5,646	\$6,000	\$679	11%
516. CONDOMINIUM FEES	\$4,722	\$4,100	\$1,012	25%
521. Building Maintenance	\$9,702	\$1,000	\$349	35%
TOTAL G&A EXPENSES	\$318,927	\$338,100	\$89,085	26%
RESEARCH				
601. RESEARCH CONTRACTS	\$328,333	\$339,000	\$83,750	25%

CALIFORNIA WHEAT COMMISSION
FY 18/19 Income / Expense as of 8/31/18

	FY 2017/18 FINAL <i>(as of 04/30/18)</i> \$.075/cwt	FY 2018/19 APPROVED 4.18.18 \$.075/cwt	YTD 2018/19 30% of FY <i>(as of 8/31/18)</i> \$.075/cwt	% of Budget
MARKET DEVELOPMENT/OUTREACH				
505. INFORMATION/MEMBERSHIP	\$3,137	\$3,500	\$2,689	77%
510. CAWG CONTRACT	\$20,000	\$20,000	\$6,667	33%
512. COMM EXPENSE	\$6,415	\$6,500	\$0	0%
600. TECHNICAL SERVICES	\$4,749	\$4,500	\$3,624	81%
602. PUBLICATIONS	\$4,953	\$4,000	\$0	0%
603. TRADE TEAMS	\$1,394	\$1,500	\$0	0%
604. MARKET DEVELOPMENT	\$10,221	\$12,000	\$8,702	73%
605. USWA	\$19,950	\$15,000	\$3,631	24%
621. WHEAT VARIETY SURVEY	\$2,773	\$4,000	\$0	0%
624. OUTREACH	\$10,078	\$12,000	\$5,607	47%
TOTAL MARKET DEVELOPMENT	\$83,670	\$83,000	\$30,920	37%
LABORATORY				
617. LABORATORY				
SALARIES	\$143,559	\$150,000	\$56,345	38%
OPERATING EXPENSE	\$29,500	\$40,000	\$10,967	27%
TOTAL LAB	\$173,059	\$190,000	\$67,311	35%
OTHER				
626. CAPITAL EXPENSE				
OFFICE	\$0	\$1,000		35%
LABORATORY	\$0	\$8,500	\$8,782	103%
TOTAL CAPITAL EXPENSE	\$0	\$9,500	\$8,782	92%
526. Reimbursed Expenses			\$493	
529. Bad Debt				
524. Depreciation Expenses	\$17,474			
TOTAL EXPENSES	\$921,464	\$959,600	\$280,341	29%
NET INCOME	(\$210,932)	(\$230,500)	\$88,708	
Adjustments to reconcile Net Income				
Net Cash by Operating Activities	(\$214,151)			
Net Cash by Investing Activities	\$8,633			
Net Cash Increase for Period	(\$205,518)			
Changes In Net position:				
Net Position, Beginning of Year	\$866,729	\$661,211	\$661,211	
Net Position, End of Year	\$661,211	\$430,711		

**CALIFORNIA WHEAT COMMISSION
FY 18/19 Budget Change Proposal**

	FY 2018/19 APPROVED 4.18.18 \$.075/cwt	YTD 2018/19 30% of FY (as of 8/31/18) \$.075/cwt	% of Budget	FY 2018/19 BCP	FY 2018/19 PROPOSED 9.3.18
INCOME:					
401. ASSESSMENTS	\$600,000	\$305,129	51%		\$600,000
402. INTEREST	\$4,000	\$1,766	44%		\$4,000
403. OTHER INCOME	\$100	\$0	0%		\$100
407. LABORATORY					
CROP QUALITY	\$10,000	\$0	0%		\$10,000
LABORATORY ANALYSIS (+Training)	\$125,000	\$62,155	50%		\$125,000
405. REFUNDS	(\$10,000)	\$0	0%		(\$10,000)
TOTAL INCOME	\$729,100	\$369,049	51%		\$729,100
EXPENSES:					
GENERAL & ADMINISTRATIVE					
501. SALARIES	\$253,000	\$67,695	27%		\$253,000
502. STAFF EXPENSE	\$3,000	\$1,066	36%		\$3,000
503. OFFICE EXPENSE	\$8,000	\$2,537	32%		\$8,000
504. OFFICE SERVICES	\$10,000	\$4,046	40%		\$10,000
506. INSURANCE	\$15,000	\$5,258	35%		\$15,000
508. PROFESSIONAL SERVICES	\$18,500	\$1,049	6%		\$18,500
509. CDFA	\$19,500	\$5,394	28%		\$19,500
513. COMM MTGS	\$6,000	\$679	11%		\$6,000
516. CONDOMINIUM FEES	\$4,100	\$1,012	25%		\$4,100
521. Building Maintenance	\$1,000	\$349	35%		\$1,000
TOTAL G&A EXPENSES	\$338,100	\$89,085	26%		\$338,100
RESEARCH					
601. RESEARCH CONTRACTS	\$339,000	\$83,750	25%		\$339,000

**CALIFORNIA WHEAT COMMISSION
FY 18/19 Budget Change Proposal**

	FY 2018/19 APPROVED 4.18.18 \$.075/cwt	YTD 2018/19 30% of FY (as of 8/31/18) \$.075/cwt	% of Budget	FY 2018/19 BCP	FY 2018/19 PROPOSED 9.3.18
MARKET DEVELOPMENT/OUTREACH					
505. INFORMATION/MEMBERSHIP	\$3,500	\$2,689	77%		\$3,500
510. CAWG CONTRACT	\$20,000	\$6,667	33%		\$20,000
512. COMM EXPENSE	\$6,500	\$0	0%		\$6,500
600. TECHNICAL SERVICES	\$4,500	\$3,624	81%		\$4,500
602. PUBLICATIONS	\$4,000	\$0	0%		\$4,000
603. TRADE TEAMS	\$1,500	\$0	0%		\$1,500
604. MARKET DEVELOPMENT	\$12,000	\$8,702	73%	\$18,000	\$30,000
605. USWA	\$15,000	\$3,631	24%		\$15,000
621. WHEAT VARIETY SURVEY	\$4,000	\$0	0%		\$4,000
624. OUTREACH	\$12,000	\$5,607	47%		\$12,000
TOTAL MARKET DEVELOPMENT	\$83,000	\$30,920	37%		\$101,000
LABORATORY					
617. LABORATORY					
SALARIES	\$150,000	\$56,345	38%		\$150,000
OPERATING EXPENSE	\$40,000	\$10,967	27%		\$40,000
TOTAL LAB	\$190,000	\$67,311	35%		\$190,000
OTHER					
626. CAPITAL EXPENSE					
OFFICE	\$1,000		35%	\$7,000	\$8,000
LABORATORY	\$8,500	\$8,782	103%		\$8,500
TOTAL CAPITAL EXPENSE	\$9,500	\$8,782	92%		\$16,500
526. Reimbursed Expenses		\$493			
529. Bad Debt					
524. Depreciation Expenses					
TOTAL EXPENSES	\$959,600	\$280,341	29%		\$984,600
NET INCOME	(\$230,500)	\$88,708			(\$255,500)
Adjustments to reconcile Net Income					
Net Cash by Operating Activities					
Net Cash by Investing Activities					
Net Cash Increase for Period					
Changes In Net position:					
Net Position, Beginning of Year	\$661,211	\$661,211			\$661,211
Net Position, End of Year	\$430,711				\$405,711

California Wheat Commission
FY 2018/19 Budget Change Proposal Detail 8.31.18

INCOME

FY 18/19

401: Assessments

Projected assessment revenue is based on projected production of 448,180 tons and an assessment rate of \$1.5/ton (\$.075/cwt). This is maintaining the FY 17/18 assessment rate same as last year's rate. **\$ 600,000**

402: Interest

Interest from Savings accounts, Money Market Accounts and CDs. **\$4,000**
Lower reserves will mean lower interest.

403. Miscellaneous Income

\$100.00

407: Laboratory Income

Crop quality - reimbursement from USW and AZ **\$10,000**
 Lab analysis - services for commercial customers **\$120,000**
 Other lab income - training **\$5,000**

Lab services for Research for FY 17/18 (not billed) \$ 137,500

405: Refunds

-\$10,000

History:	FY 18/19 (\$.075/cwt)*	1.68%		
	FY 17/18 (\$.075/cwt)	2.65%		
	FY 16/17 (\$.075/cwt)	0%	FY 06/07	(\$.04/cwt) 4.4%
	FY 15/16 (\$.075/cwt)	0.3%	FY 05/06	(\$.04/cwt) 5.0%
	FY 14/15 (\$.06/cwt)	0.9%	FY 04/05	(\$.04/cwt) 4.7%
	FY 13/14 (\$.05/cwt)	2.7%	FY 03/04	(\$.04/cwt) 4.6%
	FY 12/13 (\$.05/cwt)	3.6%	FY02/03	(\$.04/cwt) 5.8%
	FY 11/12 (\$.05/cwt)	2.8%	FY01/02*	(\$.04/cwt) 9.5%
	FY 10/11 (\$.05/cwt)	5.3%	FY00/01	(\$.03/cwt) 5.1%
	FY 09/10 (\$.05/cwt)	2.3%	FY99/00	(\$.03/cwt) 6.1%
	FY 08/09 (\$.05/cwt)	4.3%	FY 98/99	(\$.03/cwt) 7.4%
	FY 07/08 (\$.05/cwt)	3.9%	FY97/98	(\$.03/cwt) 7.0%

*Projected refunds percent for FY 18/19.

Total Income

\$ 729,100

California Wheat Commission
FY 2018/19 Budget Change Proposal Detail 8.31.18

EXPENSES

GENERAL & ADMINISTRATIVE

G&A expenses are largely fixed, absent and new staff changes.

501. Salaries

This figure was revised by the Board on 4.18.18.

\$253,000

Claudia Carter Hired as Executive Director - June 2016
 Isabel Rivera Promoted as Operations Manager - May 2016
 Crystal Sandoval Hired as Office Assistant - August 2016

502. Staff Expenses

\$3,000

Additional staff training and associated travel exp.

503. Office Expenses

\$8,000

Postage, commissioner elections, office supplies

Office Supplies	\$3,000
Postage	\$600
Printing	\$300
Commissioner Elections	\$2,500
Non-Capitalized equipment	\$1,000
Bank Fees	\$600

504. Office Services

\$10,000

Office equipment maintenance, equipment rental and maintenance agreements, telephone, fax, janitorial and utilities, mail permits.

Mail Permits fees (Permits 51 and 81)	\$500
Janitorial	\$1,700
Rent/ Main Cont. (Postage machine, water, copier)	\$2,700
Telephone/Fax/e-mail	\$1,600
Utilities	\$3,500

521. Building Maintenance / Repairs

\$1,000

506. Insurance

Estimate

\$15,000

State Fund <input type="checkbox"/>	\$5,000
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Workers Compensation

<u>AIG Life Insurance Companies</u>	\$100
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Business Travel Accident Insurance
 - Covers Commissioners and Staff

<u>Travelers Insurance</u>	\$700
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Fidelity Policy (Crime)

<u>CNA</u>	\$4,050
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Directors & Officers Liability

California Wheat Commission
FY 2018/19 Budget Change Proposal Detail 8.31.18

<u>Great American</u>	\$4,300	
General Liability, Commercial Property and Hired Auto Liability		
Allowance for rate increases	\$850	
508. Professional Services		\$18,500
-Annual Audit & support -Damore, Hamric & Schneider, Inc.	\$10,500	
-Computer Support	\$500	
-Attorney: Update Procedures, Form 700 advice	\$4,500	
<i>handler audits/proposing three audits (\$1000/audit)</i>	\$3,000	
509. CDFA		\$19,500
CWC share of Marketing Department's overhead, time spent by our CDFA economist and CDFA expenses related to elections.		
513. Commission Meetings		\$6,000
Three board meetings @ \$2060/meeting.		
516: Condominium Fees		\$4,100
Covers annual condo fees, paid quarterly. Includes Administration, Garbage, Insurance, Landscaping, Repairs, Taxes, Alarm Monitoring.		
SUBTOTAL FOR G&A		
		\$338,100
 RESEARCH		
601. Research		\$339,000
This item is reported as the cash commitment to research.		
<i>UC Breeding program \$198,000 and UC Testing \$137,000. Further discussion by Research Comm on April 16th.</i>		
MARKET DEVELOPMENT/ OUTREACH		\$18,000
Proposing to increase by \$18,000 for social media, CWC logo Certification Mark, CA Grown Partnership, and many other related activities.		
505. Memberships / Information		\$3,500
Memberships, subscriptions, technical books or special information. Includes on-line news services, export data collection.		
Memberships:		
California Farm Bureau, Tortilla Industry Association, CA Seed Assoc.,		
California Grain & Feed Association, Bread Bakers Guild of America,	\$2,000	
AmazonPrime		
Subscriptions (Milling&Baking Magazine, Carbonite, Microsoft Office)	\$400	
Internet / Website Hosting	\$1,000	
Other - California Chamber of Commerce, other related expenses	\$100	

California Wheat Commission
FY 2018/19 Budget Change Proposal Detail 8.31.18

510. CAWG Contract		\$20,000
	Contracted services from the California Association of Wheat Growers.	
512. Commissioner Expense		\$6,500
	Travel expenses for Commissioners to attend USW and other meetings	
600. Technical Services		\$4,500
	Costs to run the various crop quality programs including sample pick up, Imperial expense to collect and grade samples, postage. Present program includes:	
	<ul style="list-style-type: none"> • Durum - samples collected through Inspection stations. • HWW - HRW Crop Quality - Handler samples • UCCE Tulare will provide support 	
602. Publications		\$4,000
	Crop Quality reports for HRW, HWW & Desert Durum	\$3,500
	Certified Seed Guide	\$500
	<i>Note: Will print more Crop Quality Reports to distribute to industry: Handlers, growers, and millers.</i>	
603. Trade Teams		\$1,500
	USW Trade Teams visit to CA	
604. Market Development		\$12,000
	Travel related to domestic/international market Development.	
605. US Wheat Associates		\$15,000
	<i>Full membership is \$58,100. \$14,525 represent 25% membership- CWC is Contributing Member at this level.</i>	

History – US Wheat Membership (FY is July 1 - June 30)

2017 ¼ membership 18,950	2005 ½ membership 46,145
2016 ¼ membership 24,950	2004 ¼ membership 24,534
2015 ¼ membership 44,915	2003 ¼ membership 28,522
2014 Full membership 123,784	2002 ¼ membership 27,960
2013 Full membership 122,200 + 2,000	2001 ½ membership 55,221
2012 Full membership 124,100 + 2,000	2000 ¾ membership 86,927
2011 Full membership 104,500	1999 ¾ membership 89,123
2010 Full membership 93,700	1998 ¾ membership 87,140
2009 Full membership 84,700 + 5,000	1997 Full membership 107,240
2008 ¼ membership 22,250	1996 Full membership 109,819
2007 < ¼ membership 20,000	1995 Full membership 110,449
2006 ¼ membership 23,076	1994 Full membership 113,039

621. Wheat Variety Survey		\$4,000
	Maintaining paper survey	
624. Outreach		\$12,000

California Wheat Commission
FY 2018/19 Budget Change Proposal Detail 8.31.18

Outreach to industry including Farm Bureau, CGFA, Field Days and conferences.
 Outreach to the Milling industry PNW, AACCI Spring and Annual Meetings, Durum Quality event
 Category also includes travel to events, hosting visitors,
 and small sponsorships.

SUBTOTAL FOR MARKET DEVELOPMENT/OUTREACH **\$101,000**

LABORATORY

617A: Salaries - Laboratory **\$150,000**

Teng Vang - Lab Manager
 Alejandra Andrade Hired as Lab Assistant - January 2017
 Four Summer Students and 1 part time student if needed.

617B: Operating Exp. - Laboratory **\$40,000**

Staff Expense	\$	200
Equipment Main. (Outside Services and Routine Main. Parts)	\$	14,500
Maintenance (Janitorial)	\$	3,500
Postage	\$	300
Rental & Maintenance Agreements	\$	800
Subscriptions/ Memberships(AACCI, PNW)	\$	1,200
Supplies	\$	10,000
Non capital equipment and Misc.	\$	1,000
Utilities	\$	7,000
	\$	38,500
617E: LAB MANAGER	\$	1,500

SUBTOTAL FOR LABORATORY **\$190,000**

OTHER

626. Capital Expense

Office (Office AC needs replacement > 30 years old)	\$1,000	\$7,000	\$8,000
Laboratory	\$2,000		\$8,500

TOTAL EXPENSES **\$984,600**

NET INCOME **\$ (255,500)**

**CALIFORNIA WHEAT COMMISSION
ASSESSMENT HISTORY --**

MONTH	07/08		08/09		9/10		10/11		11/12		12/13		13/14	
	\$.05/cwt		Accrual method begins. \$05/cwt		\$.05/cwt		\$.05/cwt		\$.05/cwt		\$.05/cwt		\$.05/cwt	
MAY	-\$22	0.0%	\$32,476	2.26%	\$60,504	5.58%	\$20,500	1.9%	\$38,542	3.2%	\$38,516	4.0%	\$20,560	2.4%
JUNE	\$20,971	2.6%	\$299,935	23.13%	\$299,268	33.16%	\$211,343	21.0%	\$238,798	23.3%	\$305,086	35.3%	\$278,041	35.1%
JULY	\$273,435	36.2%	\$568,415	62.68%	\$314,075	62.11%	\$474,756	64.1%	\$390,968	56.1%	\$360,093	72.3%	\$295,267	69.9%
AUG	\$280,284	70.7%	\$255,674	80.48%	\$98,140	71.15%	\$189,184	81.2%	\$260,621	77.9%	\$61,845	78.7%	\$77,979	79.1%
SEPT	\$111,799	84.5%	\$68,392	85.23%	\$44,579	75.26%	\$53,064	86.0%	\$69,461	83.7%	\$34,928	82.3%	\$38,490	83.6%
OCT	\$36,152	88.9%	\$49,849	88.70%	\$48,796	79.76%	\$40,035	89.7%	\$66,233	89.3%	\$41,025	86.5%	\$22,987	86.3%
NOV	\$15,830	90.9%	\$8,703	89.31%	\$32,616	82.76%	\$12,452	90.8%	\$11,707	90.3%	\$11,460	87.7%	\$10,430	87.5%
DEC	\$17,617	93.0%	\$15,415	90.38%	\$23,696	84.95%	\$15,162	92.2%	\$18,978	91.9%	\$24,267	90.2%	\$17,142	89.5%
JAN	\$7,824	94.0%	\$79,898	95.94%	\$55,468	90.06%	\$53,357	97.0%	\$69,396	97.7%	\$59,915	96.3%	\$44,938	94.8%
FEB	\$28,070	97.5%	\$18,329	97.22%	\$16,593	91.59%	\$11,365	98.0%	\$10,517	98.6%	\$14,735	97.8%	\$18,701	97.0%
MAR	\$13,032	99.1%	\$19,046	98.54%	\$13,824	92.86%	\$3,774	98.4%	\$1,063	98.7%	\$6,652	98.5%	\$13,435	98.6%
APRIL	\$7,591	100.0%	\$20,959	100.00%	\$77,435	100.00%	\$18,027	100.0%	\$15,892	100.0%	\$14,474	100.0%	\$11,897	100.0%
	\$812,582		\$1,437,091		\$1,084,994		\$1,103,021		\$1,192,175		\$972,994		\$849,864	
MONTH	14/15		15/16		16/17		17/18		18/19					
	\$.06/cwt		\$.075/cwt		\$.075/cwt		\$.075/cwt		\$.075/cwt		cumulative percentage of total budget		cumulative percentage of total budget	
MAY	\$33,791	5.5%	\$23,259	2.7%	\$32,423	4.2%	\$31,495	5.3%	\$12,506	2.1%				
JUNE	\$191,432	36.4%	\$285,959	36.3%	\$168,660	26.2%	\$160,877	32.3%	\$115,047	21.3%				
JULY	\$190,406	67.1%	\$225,065	62.6%	\$162,565	47.5%	\$209,369	67.5%	\$177,575	50.9%				
AUG	\$30,260	72.0%	\$46,090	68.1%	\$94,317	59.8%	\$52,399	76.3%		50.9%				
SEPT	\$42,346	78.9%	\$11,984	69.5%	\$32,530	64.0%	\$25,199	80.5%		50.9%				
OCT	\$23,521	82.7%	\$38,732	74.0%	\$54,644	71.1%	\$17,209	83.4%		50.9%				
NOV	\$16,127	85.3%	\$17,383	76.0%	\$36,902	75.9%	\$7,609	84.7%		50.9%				
DEC	\$24,746	89.3%	\$33,490	80.0%	\$55,146	83.1%	\$22,203	88.4%		50.9%				
JAN	\$39,228	95.6%	\$64,424	87.5%	\$67,341	91.9%	\$28,302	93.2%		50.9%				
FEB	\$7,046	96.7%	\$33,303	91.4%	\$36,462	96.7%	\$14,830	95.7%		50.9%				
MAR	\$6,150	97.7%	\$43,939	96.6%	\$12,302	98.3%	\$7,484.97	96.9%		50.9%				
APRIL	\$13,974	100.0%	\$29,232	100.0%	\$13,069	100.0%	\$18,412	100.0%		50.9%				
	\$619,028		\$852,860		\$766,361		\$595,387		\$305,129	as of 8/31/18				
									\$600,000	← budget				

2018 USDA Estimated Production for California

2017	Planted	Harvested	Yield	Production
Winter wheat	385,000	155,000	1.92	297,600
Durum	35,000	27,000	2.76	74,520
TOTAL	420,000	182,000		372,120
As of 01/12/2018 Crop Production Report 2017				LAST YEAR

2018	Planted	Harvested	Yield	Production	Plantings
Winter wheat	340,000	170,000	1.92	326,400	88%
Durum	29,000	28,000	2.76	77,280	83%
TOTAL	369,000	198,000		403,680	88%
As of 1/12/2018 Wheat Seedings Report					of last year

2018	Planted	Harvested	Yield	Production	Plantings	Plantings
Winter wheat	380,000	171,000	1.92	328,320	99%	112%
Durum	40,000	38,000	2.76	104,880	114%	138%
TOTAL	420,000	209,000		433,200	100%	114%
As of 3/29/2018 Prospective Plantings Report					of last year	of previous report

2018	Planted	Harvested	Yield	Production	Of last year's production
Winter wheat	380,000	115,000	2.46	282,900	95%
Durum	40,000	33,000	3.30	108,900	146%
TOTAL	420,000	148,000		391,800	105%
Assessment Revenues				\$ 528,930	
As of 5/2018 Crop Production Report					of last year of last year

2018	Planted	Harvested	Yield	Production	Of last year's production	Of previous report
Winter wheat	380,000	115,000	2.49	286,350	96%	101%
Durum	40,000	33,000	3.15	103,950	139%	95%
TOTAL	420,000	148,000		390,300	105%	100%
Assessment Revenues				\$ 526,905		
As of 6/12/2018 Crop Production Report						

2018	Planted	Harvested	Yield	Production	Of last year's production	Of previous report
Winter wheat	440,000	150,000	2.34	351,000	118%	123%
Durum	38,000	33,000	3.00	99,000	133%	95%
TOTAL	478,000	183,000		450,000	121%	115%
Assessment Revenues				\$ 607,500		
As of 6/29/2018 Acreage Report						

2018	Planted	Harvested	Yield	Production	Of last year's production	Of previous report
Winter wheat	440,000	150,000	2.34	351,000	118%	100%
Durum	38,000	33,000	3.00	99,000	133%	100%
TOTAL	478,000	183,000		450,000	121%	100%
Assessment Revenues				\$ 607,500		
As of 8/10/2018 Crop Production Report						

California Wheat Commission
Cash Flow Statement
5/1/2018 to 8/31/2018

NET INCOME/EXPENSE \$ 88,707.80

Adjustments to reconcile Net Income
to net cash provided:

By Operations:

Assessments Receivable	\$	18,356.51
Customer Invoices (receivables)	\$	369.00
Prepaid Contracts	\$	-
Prepaid Expenses	\$	12,465.95
Accounts Payable	\$	(1,800.85)
Pension Payable	\$	(27,439.34)

NET CASH INCREASE/DECREASE AS OF 8/31/18 \$ 90,659.07

(Net Income +/- adjustments)

The Cash Flow Statement accounts for actual cash flows in and out of CWC. If income or an expenditure is not accounted for on the *current* FY Income/Expense report, then adjustments are made on the Cash Flow Statement to account for changes in cash position.

BEGINNING CASH (as of 5/01/2018)

Edward Jones CD	\$	513,000.00
Edward Jones MM	\$	769.83
RVCTY-MM	\$	53,477.00
Tri Counties Bank MM	\$	92,959.53
Tri Counties Bank Checking	\$	1,004.28

TOTAL OF BEGINNING CASH \$661,210.64

TOTAL CASH as of 8/31/2018 \$ 751,869.71

(Net cash provided by activities + beginning cash)

CASH ON HAND (as of 8/31/2018)

Edward Jones CD	\$	413,000.00
Edward Jones MM	\$	334.43
RVCTY-MM	\$	53,510.56
Tri Counties Bank MM	\$	280,409.55
Tri Counties Bank Checking	\$	4,615.17

TOTAL CASH AND BANK ACCOUNTS \$751,869.71

CERTIFICATES OF DEPOSIT

MATURITY DATE	BANK	TERM	INTEREST RATE	VALUE
EDWARD JONES				
09/04/18	State Bank	6 MO	1.70	\$ 206,000.00
12/28/2018	Bank of Birmingham	9 MO	1.90	\$ 207,000.00
	(Interest paid at intervals into money market)			\$ 413,000.00

MONEY MARKET ACCOUNTS

BANK	RATE	VALUE
Edward Jones MM	0.01	\$ 334.43
River City Bank MM	0.15	\$ 53,510.56
TriCounties Bank MM	0.18	\$ 280,409.55
		\$ 334,254.54

TOTAL	\$747,254.54
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Updated 8/31/18

VACATION SUMMARY AS OF 8/31/18					
Name	Hire Date	Yearly Vacation Rate (days)	Maximum Accrual Rate (Days)	Amount accrued as of 8/31/18 (days)	Vacation Liability as of 8/31/18
Teng Vang	02/12/07	20	40	36.31	\$ 9,060.07
Isabel Rivera	01/01/13	15	30	14.44	\$ 3,002.36
Claudia Carter	6/15/2014	20	40	7.64	\$ 3,378.71
Crystal Sandoval	8/15/2016	10	20	9.91	\$ 1,228.84
Alejandra Andrade	1/3/2017	10	20	12.55	\$ 1,455.80
					\$ 18,125.79
TOTAL					
prepared by IR					