

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Minutes of the

Finance and Audit Committee Meeting

February 25, 2019

A telephonic meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on Monday, February 25, 2019. The meeting was properly noticed and recorded. The meeting was called to order at 8:33 am by Chairman Ned Hancock. Roll was called and a quorum was present. Committee members participating were Larry Black (telephone), Ned Hancock, Charlie Lykes (telephone) and Jeanna Mastrodicasa (telephone). Others participating were Brandy Brown, Rick Dantzler, Audrey Nowicki and John Updike, Jr.

Mr. Black moved to approve the minutes of the December 10, 2018 meeting. The motion was seconded by Dr. Mastrodicasa, and with no discussion passed unanimously.

Mr. Hancock reviewed the January 2019 financial and investment summaries. Mr. Black pointed out a formula error in the Communications Contract line that must be corrected when presented at the Board meeting for approval.

Mr. Hancock gave an update on the Frankel Media website redesign. The new launch date is May 2019. CRDF staff will do a presentation on the highlights of the redesign website at the next Board meeting. Mr. Dantzler pointed out the Grower Forum and the Researcher Spotlight, which are new features included in the redesign.

Mr. Dantzler reported on the contract with FFVA/TPR for oversight on CRDF regulatory issues which has been in effect since 2012. Under the current contract with FFVA, the cost to CRDF is \$2,500/month to have TPR available for consulting. Mr. Dantzler discussed the current contract and proposed changes with Mr. Mike Joyner and Mr. Mike Aerts for CRDF's continued use of their services. A new contract was sent to Mr. Joyner stating the following revision under III. Scope of Services, 2. Considerations:

- Total consideration under this agreement for all General Support services rendered is two thousand five hundred (\$2,500) dollars per month, which shall include ten (10) hours of work per month by Third Party Registrations' employees for General Support and Special Projects services. Work by Third Party Registrations' employees which exceeds ten (10) hours per month shall be compensated on an hourly basis in accordance with Exhibit 1.

Dr. Mastrodicasa made a motion to recommend the Board approval of the contract. The motion was seconded by Mr. Black and passed unanimously.

Mr. Dantzler reported on the proposed USDA/APHIS contract, known as the Citrus Research and Field Trial Program (CRAFT), which is the successor program to GRIP. The CRAFT proposal is intended to develop an economically viable and sustainable Florida citrus production plan in the presence of HLB and the Asian Citrus Psyllid (ACP) through the implementation of applied best management practices. This will include conducting large-scale field trials. There is approximately \$8M in federal funding for this program, but there must be a research component to qualify for the funding. Mr. Dantzler has had several discussions with Mr. Mike Sparks, Florida Citrus Mutual, and CRDF has been asked to administer the program. There was further committee discussion regarding the additional workload for CRDF and how it would be handled.

Mr. Dantzler reported that staff and the F&A Committee will begin drafting the preliminary budget for FY 2019-2020. There is an \$8M request for funding in the Governor's budget, which looks good with the Senate, but no read from the House at this time. There could be an additional ask for funding to help with the CRAFT program, as well. Mr. Dantzler reported that the additional budget allocations previously requested for Drs. Graham and Syvertsen are well below budget from what was anticipated.

Mr. Dantzler reported on the status of the Bayer contract. CRDF just processed a payment of \$1.24M and final payments totaling \$2.48M will be owed in April and July 2019 covering work on the project scheduled through June 2020. There needs to be discussion regarding CRDF's intentions on continuing the Bayer contract after June 2020.

Mr. Dantzler reviewed the Citrus Research Board (CRB) sponsorship request for the International Research Conference on Huanglongbing (IRCHLB). In previous years, when the IRCHLB was held in Florida, the CRDF sponsorship was \$100,000. This year the IRCHLB VI is being held in Riverside, California and CRB has asked CRDF to be a sponsor. Mr. Dantzler suggested sponsoring the Mid-Conference Field Tour, at a cost of \$6,000. This sponsorship would cover a half-day tour to explore the best of citrus research and production in the Riverside area. The committee agreed to support the \$6,000 Sponsorship of the Mid-Conference Field Tour at the IRCHLB VI in Riverside, California.

Mr. Dantzler suggested the committee appoint another board member, possibly Mr. Rob Atchley, to the F&A Committee in order to have five committee members, which would help with getting a quorum for meetings. The committee agreed on the recommendation. Mr. Atchley and Mr. Dantzler will discuss his interest in joining the committee.

With no further business, the meeting adjourned at 9:18 am.

Minutes submitted by Brandy Brown