

**C DFA APPROVAL SHEET FOR
MARKETING PROGRAM:
CALIFORNIA PROCESSING TOMATO ADVISORY BOARD**

This approval sheet is for the following document:

Document:	Relevant Date/Year
Minutes to meeting held on:	January 28, 2016
Location:	Sacramento

Documents Are Submitted for:

✓	Approval
Five	Items noted require separate approval


Notable Actions:

2016 0128	#02	Motion to recommend Dennis Jizmejian be appointed to the Board member position previously held by Mark Bacchetti.
2016 0128	#04	Motion to retain Damore, Hamric and Schneider to perform the Board's financial and Agreed-upon Procedures compliance audits of its 2015 financial records. <i>[Approved by Department order on February 25, 2016]</i>
2016 0128	#06	Motion to recommend Tom Ramme be retained as Manager of the Board for the 2016 fiscal year. <i>[Approval by Department letter is pending]</i>
2016 0128	#07	Motion to recommend setting the cash reserves for the year at \$1.5 million or 30% of total revenue, whichever is greater. <i>[Approved as part of Budget Order - See Motion #8]</i>
2016 0128	#08	Motion to recommend approval of the 2016 budget of \$5,481,975 based on projected volume of 13.2 million tons and an inspection fee of \$10.00 per load. <i>[Approved by Department order on February 25, 2016]</i>
2016 0128	#09	Motion to recommend approval of the 2016 base inspection fee of \$10.00 per ton. <i>[Approved by Department order on February 25, 2016]</i>
2016 0128	#10	Motion to recommend approval of the 2017 Q1 Interim Budget of \$300,000 in expenses and \$30,000 in revenues.


Approval Block:

APPROVED

SECRETARY OF FOOD & AGRICULTURE

BY: , Chief
Marketing Branch

DATE: February 25, 2016



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

2016 0223 | 2016 0225 | 2699

MINUTES

PROCESSING TOMATO ADVISORY BOARD (PTAB)
JANUARY 28, 2016
CA FARM BUREAU
SACRAMENTO, CALIFORNIA

CALL TO ORDER, ROLL CALL, ESTABLISH QUORUM

Board Chairman Neil Dougherty called the meeting to order at 1:02 P.M. Roll was called; a quorum was established. The following members were present:

Producers

Neil Dougherty
Dan Burns
Earl Perez
Steve Meek
Dennis Jizmejjan

Processors

Chris Lehikainen
Roger Scriven
Bob Cole
Randy Rickert
Tim Hamilton

Other Board Members Present:

Kevin Collins
Darryl Bettencourt

Steve Freeman
Lance Dami

INTRODUCTIONS

Board Chairman Neil Dougherty welcomed the audience. Members of the audience introduced themselves (see roster).

APPROVAL OF PREVIOUS MEETING MINUTES

ACTION

A motion was made, seconded, and passed unanimously to approve the minutes as posted of the January 28, 2015 meeting. **Board Action 16-1**

CDFA ANNUAL PRESENTATION

Ben Kardokus of CDFA gave a presentation about the relationship between CDFA and the Board. He talked about how CDFA Marketing Branch and Councils/Commissions and Boards work together. He gave an overview of the Bagley-Keene act and how it affects PTAB meetings. He reviewed Form 700 and Ethics Training requirements for Board Members and Alternates. He also talked about the role of CDFA Economists, CDFA Legal and the CA Attorney General's Office in regards to PTAB.

BOARD MANAGER'S REPORT

BOARD APPOINTMENTS

CDFA appointed Randy Rickert (R and B Foods) and Chris Lehtikainen (Stanislaus Food Products) as processor members and appointed Lance Dami (Los Gatos Tomato Products) and Larry Tucci (Del Monte Foods) as alternates. Earl Perez (Perez Farms) was appointed as a producer member and Dennis Jizmejian (Bill Diedrich Farms) and Tim Maggiore (F.A. Maggiore & Sons) were appointed as alternates. Tom thanked everyone for volunteering to serve and announced that Mark Bacchetti had resigned from the Board. Tom thanked Mark for his many years of service on the Board. (Exhibit A).

ACTION

A motion was made, seconded, and passed unanimously to move Dennis Jizmejian into the member spot vacated by the resignation of Mark Bacchetti. **Board Action 16-2**

PTAB AUDIT RESULTS

Tom stated that the 2014 PTAB financial and CDFA compliance audits showed no reportable items. He asked that the Board approve both 2014 audits.

ACTION

A motion was made, seconded, and passed unanimously to approve the 2014 financial and CFDA compliance audits as presented. **Board Action 16-3**

Tom also asked that the Board designate Damore, Hamric and Schneider as auditors for any upcoming 2015 audits.

ACTION

A motion was made, seconded, and passed unanimously to designate Damore, Hamric and Schneider as auditors for the 2015 PTAB audits. **Board Action 16-4**

This action requires separate approval by the Department

INSPECTION RESEARCH COMMITTEE REPORT

Dr. David Slaughter presented an overview of the 2015 research projects. He talked about the new Juice Inspection System. He gave a brief history of PTAB color instruments and about how color scores are calculated. PTAB has used Hue Angle to get color scores since the 1950's, whereas the processing industry has tended to use L.A.B. color scores. Using the new juice inspection system, PTAB can potentially give both Hue Angle and L.A.B. color scores. For 2016 they will be working on design revisions to the two systems built in 2015. The systems need to be modular for transport, safety and cleaning. The lid is being redesigned for ease of use and safety. Also, the system software should be updated to allow easy changes to operational parameters, optimize cycle times, allow greater automatic error checking and messaging, and allow software integration with processor networks.

There were questions about how these new systems would affect inspection. Tom said there would be a small time and labor savings at the busier inspection stations. The plan will be to build nine automated handling systems without the color, pH and solids testing modules first, for deployment at the highest volume stations, to test reliability. A question was asked about the accuracy of the soluble solids (Brix) portion of the test system. Dr Slaughter stated that the bench top refractometers are slightly more

accurate and that ultimately that portion of the testing could be removed from the new systems, if the Board decided to do that.

ACTION

A motion was made, seconded, and passed unanimously to approve the proposed budget of \$135K, for research in 2016 (Exhibit B). **Board Action 16-5**

BUDGET AND FINANCE COMMITTEE RECOMMENDATIONS

Tom Ramme presented the Budget and Finance Committee's recommendations. Tom stated the 2016 crop intention is for 13.2 million tons. He asked the Board to approve a 2017 interim budget of \$30K in revenue and \$300K in expenses. The Committee recommends setting the reserve level at \$1.5 million or 30% of total revenue, whichever is greater. The Committee also recommended keeping the base inspection fee at \$10.00 per load to cover anticipated capital costs – including automated bucket systems and new juice inspection systems in 2016-2017. The budget also includes salary increases.

ACTION

A motion was made, seconded, and passed unanimously to rehire Tom Ramme as the Board Manager. **Board Action 16-6**

This action requires separate approval by the Department

ACTION

A motion was made, seconded, and passed unanimously to set the cash reserves at \$1.5 million or 30% of total revenue, whichever is greater (Exhibit C). **Board Action 16-7**

This action requires separate approval by the Department

ACTION

A motion was made, seconded, and passed unanimously to approve the 2016 PTAB budget for 13.2 million tons, which includes some salary increases (Exhibit D). **Board Action 16-8**

This action requires separate approval by the Department

ACTION

A motion was made, seconded, and passed unanimously to approve a base inspection rate of \$10.00 for the 2016 season (Exhibit E & F). **Board Action 16-9**

This action requires separate approval by the Department

ACTION

A motion was made, seconded, and passed unanimously to approve an Interim Budget, as presented, for the first quarter of 2017 (Exhibit G). **Board Action 16-10**

This action requires separate approval by the Department

ELECTION OF OFFICERS

Tom Ramme reported that it is the Processors turn to chair the Board.

ACTION

A motion was made, seconded, and passed unanimously, by the Processors, electing Chris Lehikainen to serve as the 2016 Board Chair. **Board Action 16-11**

ACTION


A motion was made, seconded, and passed unanimously, by the Producers, electing Neil Dougherty to serve as the 2016 Board Vice-Chair. **Board Action 16-12**

ADJOURNMENT

There being no further business the Board meeting adjourned at 2:48 P.M.

CERTIFICATION OF MINUTES

I Thomas M. Ramme, Manager of the California Processing Tomato Advisory Board, do hereby declare that the foregoing is a true and correct copy of the minutes of the California Processing Tomato Advisory Board meeting on January 28, 2016, in Sacramento, California.



Thomas M. Ramme, Manager
Processing Tomato Advisory Board
(530) 759-7501

2/10/16
Date

ROSTER
PTAB MEETING- JANUARY 28, 2016
CA FARM BUREAU, SACRAMENTO, CA

Board Members

Neil Dougherty
Earl Perez
Chris Lehtikainen
Randy Rickert
Roger Scriven
Darryl Bettencourt
Kevin Collins.
Steve Freeman
Bob Cole
Tim Hamilton
Steve Meek
Dan Burns
Lance Dami
Dennis Jizmejjan

Dougherty Farms, Inc.
Perez Ranches
Stanislaus Food Products
Unilever Foods
The Morning Star Packing Co
J.G. Boswell Co.
Borba Farms
Pacific Coast Producers
J.G. Boswell Tomato Company
ConAgra Foods
J.H. Meek and Sons
Nickel Family LLC
Los Gatos Tomato Products
Bill Diedrich Farms

Others Present

Tom Ramme
J.D. Blevins
Connie Read
Angelica Torrez
Jim Dore
Ben Kardokus
Kacie Fritz
Justin Ellerby
Mike Montna
Dr. David Slaughter
Chuck Rivara
Paul Pimentel
Mike Reuter
Derek Chamberlain
Craig Leathers
Kyle Perez
Garrett Miller
Rudy Lucero
Blake Winiger

PTAB
PTAB
PTAB
PTAB
PTAB
CDFA
CDFA
CDFA
CTGA
UC Davis
CTRI
The Morning Star Packing Co.
The Morning Star Packing Co.
The Morning Star Packing Co.
Campbells Soup Co.
Perez Farms
J.G. Boswell Tomato Co.
Pacific Coast Producers
Los Gatos Tomato Products

PTAB Board Meeting 1/28/2016									
Board Member	BA 16-1	BA 16-2	BA 16-3	BA 16-4	BA 16-5	BA 16-6	BA 16-7	BA 16-8	
Neil Dougherty	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Earl Perez	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Dan Burns	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Steve Meek	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Dennis Jizmejian	Aye	Abstain	Aye	Aye	Aye	Aye	Aye	Aye	
Chris Lehtikainen	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Roger Scriven	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Randy Rickert	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Tim Hamilton	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
Bob Cole	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	
OUTCOME	Unanimous	1 Abstain/9 Aye	Unanimous	Unanimous	Unanimous	Unanimous	Unanimous	Unanimous	
Board Member	BA 16-9	BA 16-10	BA 16-11	BA 16-12					
Neil Dougherty	Aye	Aye	Abstain						
Earl Perez	Aye	Aye	Aye						
Dan Burns	Aye	Aye	Aye						
Steve Meek	Aye	Aye	Aye						
Dennis Jizmejian	Aye	Aye	Aye						
Chris Lehtikainen	Aye	Aye	Aye						
Roger Scriven	Aye	Aye							
Randy Rickert	Aye	Aye							
Tim Hamilton	Aye	Aye							
Bob Cole	Aye	Aye							
OUTCOME	Unanimous	Unanimous	1 Abstain/4 Aye	1 Abstain/4 Aye					

Processing Tomato Advisory Board - 2016

Producer Members	
Member	Alternate
Dan Burns Nickel Family LLC Term: 1/1/15 – 12/31/17	Kevin Collins Borba Farms Term: 1/1/15 – 12/31/17
Lee Del Don Del Mar Farms Term: 1/1/15 – 12/31/17	Steve Meek JH Meek and Sons Term: 1/1/15 – 12/31/17
Neil Dougherty Dougherty Farms, Inc. Term: 1/1/14 - 12/31/16	Darryl Bettencourt JG Boswell Co. Term: 1/1/14 - 12/31/16
Vacancy Term: 1/1/16 – 12/31/18	Dennis Jizmejian Bill Diedrich Farms Term: 1/1/16 – 12/31/18
Earl Perez Perez Farms Term: 1/1/16 – 12/31/18	Tim Maggiore F.A. Maggiore & Sons Term: 1/1/16 – 12/31/18
Processor Members	
Member	Alternate
Bob Cole JG Boswell Company Term: Term: 1/1/15 – 12/31/17	David Kiehn Campbell Soup Company Term: 1/1/15 – 12/31/17
Roger Scriven Morning Star Company Term: 1/1/15 – 12/31/17	Frank Pitts Neil Jones Food Company Term: 1/1/15 – 12/31/17
Tim Hamilton Conagra Grocery Products Term: 1/1/14 - 12/31/16	Steve Freeman Pacific Coast Producers Term: 1/1/14 - 12/31/16
Randy Rickert R and B Foods Term: 1/1/16 – 12/31/18	Lance Dami Los Gatos Tomato Products Term: 1/1/16 – 12/31/18
Chris Lehkainen Stanislaus Food Products Term: 1/1/16 – 12/31/18	Larry Tucci Del Monte Foods Term: 1/1/16 – 12/31/18

Exhibit A



PROCESSING TOMATO ADVISORY BOARD

December 31, 2015

PTAB Research Committee Meeting Minutes
Tuesday, December 15, 2015
Holiday Inn Express, Davis, CA

1. Those present were: Bob Cole (JG Boswell), Dan Burns (Nickel Family LLC), Darryl Bettencourt, (JG Boswell), Frank Pitts (Neil Jones Food Co.), Neil Dougherty (Dougherty Farms), Craig Leathers (Campbell Soup Co.), Roger Scriven, (Morning Star), Steve Meek (JH Meek & Sons), Tom Ramme (PTAB), Paul Busalacchi (Stanislaus Foods), Garrett Miller (JG Boswell) Irwin Donij-Gonzales (UC Davis), Chuck Rivara (CTRI), Angelica Torrez (PTAB) and Dr. David Slaughter (UC Davis)
2. 2015 Project updates – Dr. Slaughter presented information on the “Automated Inspection Systems for Processing Tomatoes”. - The long term goal is to develop a fully automated system for measuring color, pH and soluble solids content. The results showed good correlation with the current PTAB process. However, due to several necessary design changes late in the season, not enough samples were to run to fully verify the results.
3. 2016 Project Proposal – Dr. Slaughter proposes finalizing the design and building two fully automated systems with several design enhancements – modified blender lid, upgraded system software and a redesign of the sensor enclosures/, test the automatic color verification system and test an automated system for draining the water trap. Project budget - \$134,270. The committee unanimously approved funding the project.
4. Dr Slaughter presented a plan to build automated handling systems. These systems will contain the same controller, electronic control systems, electronically controlled fluid handling and the support structure as the fully automated systems sans the color, pH and soluble solids modules. In 2017 the sensor modules can easily be added to create a complete system. The cost for each basic system would be \$11,000. Tom suggests building nine of the units to be used in 2016, which would be a good reliability test of the components and design.
5. The meeting adjourned at 10:30 A.M.

Exhibit B

Research Project Proposal

Processing Tomato Advisory Board

PO Box 1800
Davis, CA 95617

Project Title: Automated Inspection Systems for Processing Tomatoes

Project Leader: David C. Slaughter
Biological & Agricultural Engineering Dept.
University of California, Davis
Davis, CA 95616
(530) 752-5553
dcslaughter@ucdavis.edu

UCD Research Budget Request: \$134,270

Optional Funds for Automated Juice Handling Systems: \$11,000 per system

Project Dates: February 1 2016 to January 31, 2017

Summary of Progress from 2015:

In 2015, we designed and fabricated two fully automated systems that could automatically prepare the deaerated juice sample, measure color, pH and soluble solids content (i.e. Brix) of the sample, and then dispose the sample and rinse itself. Figure 1 shows the two systems installed at an inspection station in 2015.

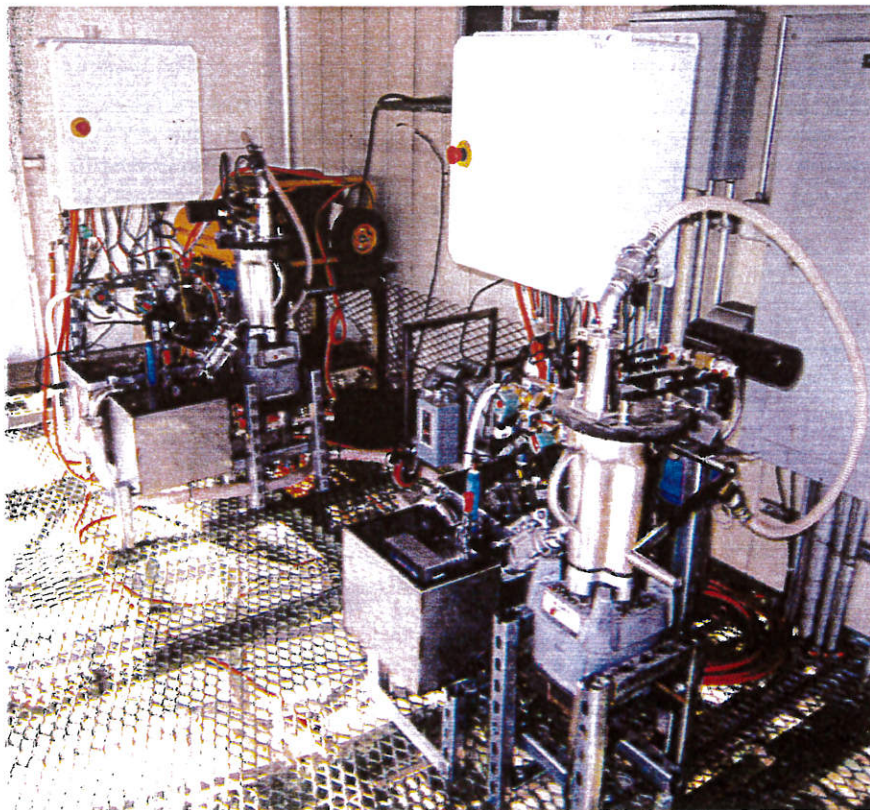


Figure 1. Photograph showing the automated tomato juice inspection systems that were designed and tested in 2015.

Research Project Proposal Processing Tomato Advisory Board

Some of the other notable accomplishments from 2015 were:

- Two designs of a combined pH, Brix and color measurement flow cell were developed and their performance was validated in 2015.
 - Performance assessment focused on the ability of the PTAB inspector to maintain the cleanliness of the cell interior and inspector's ability to maintain instrument calibration. The cell design was revised mid-season to improve the inspector's ability to maintain cell cleanliness without degrading overall performance of the cell.
 - Both absolute, and side-by-side system tests were conducted to validate the accuracy of the inline sensor measurements.
 - Absolute pH accuracy (in reference to PTAB's standard method) of the automated online system was 0.09 pH units on average with a precision (95%) of +/- 0.2 pH units. These results are consistent with reported values for the expected accuracy of inline pH measurements¹.
 - Absolute Soluble Solids (Brix) accuracy (in reference to PTAB's standard method) of the automated online system was 0.05 °Brix on average with a precision (95%) of +/- 0.4 °Brix. The manufacturer's stated accuracy for the Soluble Solids (Brix) sensor is 0.1 °Brix, so these values are within the expected accuracy of the instruments themselves.
 - In a trial of limited scope, 92% of samples met the PTAB standard for inter-instrument agreement for color in side-by-side tests of automated color measurements.

Objectives:

The primary objective of this project is to develop a fully automated system to perform the following tasks:

1. Automatically prepare a de-aerated tomato juice sample (including automatic vacuum pump protection from tomato juice).
2. Automatically measure the pH, soluble solids content, and color of the de-aerated tomato juice sample.
3. Automatically dispose of the juice sample and rinse itself after each measurement.

Procedures:

To achieve these primary objectives, the following activities will be pursued in 2016:

- Complete the final design revisions for the following:
 1. Reconfigure the spatial layout of the components to allow:
 - a. modular disassembly of the system for ease of transport (each module will weigh less than 30 pounds).
 - b. separation of equipment for juice handling from equipment for juice measurement tasks to allow stand-alone automated juice handling systems to be created in 2016.

¹ <http://www.all-about-ph.com/ph-test.html> last accessed 11/25/2015.

Research Project Proposal Processing Tomato Advisory Board

- c. isolation of high electrical current components from logic and sensor components (for improved safety and reduced equipment risk).
2. Redesign the blender lid to allow:
 - a. improved general cleanliness and ease of cleaning.
 - b. incorporation of a safety interlock to disable the blender motor and vacuum pump when the inspector has the lid open.
3. Revise the system software to allow:
 - a. PTAB supervisors to easily change operational parameters.
 - b. optimize (i.e. faster) cycle times.
 - c. provide greater automatic error checking and error messaging to inspectors and supervisors.
 - d. complete the software integration with table grade data and Gradestar.
4. Revise the design for the sensor enclosures to allow better ease of access to the sensors.
5. Design, fabricate and test the automatic color verification system for the red ceramic reference tile.
6. Design, fabricate and test an automatic system for draining the water trap that protects the vacuum pump.

The two fully automated systems developed in 2015 for color, pH and soluble solids will be improved using the above design changes, subjected to extensive testing and further revised if needed in 2016. The goal of the 2016 research is to complete the system design and to demonstrate the operational robustness of the system in preparation for deployment in 2017.

At PTAB's discretion, PTAB will have the option to advance the development timeline by providing funds for the BAE shop to fabricate automated tomato juice handling systems in 2016. Because of the new modular design proposed for 2016, these system will contain the same controller, electronic control systems, electronically controlled fluid handling (modified blender, and valves for juice, water and air flow, lid and support structure as the fully automated system shown in Fig. 1. Then in 2017, again at PTAB's discretion, the final design of the color, pH and soluble solids sensor modules could be added to the tomato juice handling systems to create complete systems, or PTAB could continue to use them for automated juice handling at stations not desiring complete automation of the tomato juice inspection task.

Research Project Proposal Processing Tomato Advisory Board

Budget

Requested Funds²
for 2015

Personnel	Responsibility	%time on project	
Development Engineer	System design & fabrication	25%	\$16,210
Graduate Student Researcher	Software development, fabrication and testing	9 months @49%, 3 months @ 100%	\$23,021
Undergraduate Student Assistant	User interface and testing	9 months @ 25%, 3 months @ 100%	\$12,180

Employee Benefits

Development Engineer	51.4%/51.8%	\$8,364
Graduate Student Researcher	1.3% benefits Fees	\$300 \$36,036
Undergraduate Student Assistant	1.3% benefits	\$159

Supplies & Expenses

BAE Shop Services	\$12,000
Electronic parts	\$10,000
Fabrication materials	\$10,000
Laboratory supplies and software licenses	\$3,000

Permanent Equipment

0

Travel

Local travel to inspection stations and for research meetings	\$3,000
---	---------

UCD Research Budget Total:

\$134,270

Budget for Automated Tomato Juice preparation Systems (no sensors)

Supplies & Expenses

BAE Shop Services & parts required to fabricate one complete automatic system for juice preparation, disposal & washing ³ .	\$11,000
--	-----------------

² PTAB grants the principal investigator a no-cost extension for a period of 9 months beyond the project expiration date to complete project tasks at no additional cost to PTAB. Residual funds of 25% or less remaining at the close of the account after all costs have been recovered will be transferred to Dr. Slaughter's Research and Education Fund at UCD. These funds shall be expended by Dr. Slaughter in support of the teaching, research, and public service mission of the university, in accordance with established departmental practices. Transfer of residual funds in excess of 25% will require PTAB's approval.

³ PTAB to provide blender motors, new blender containers, and vacuum pumps for all systems. System speed is highly dependent on the working air flow rate of the vacuum pump. Costs assume that single phase AC power is used.

PTAB Budgeted Reserves

The Processing Tomato Advisory Board of Directors maintains a minimum unassigned reserve balance of \$1.5 million or 30% of projected total revenue, whichever is greater, for economic uncertainties. The Board believes a reserve of this level is prudent for the following purposes:

- The imprecise nature of production estimates made prior to the start of a season which directly affects revenue projections.
- Funding for administrative costs from the beginning of a fiscal year to first receipts of assessment revenue.
- Funding for unforeseen opportunities that arise during the year.
- Funding for unforeseen legal expenses in excess of the budget for such expenses.

The Board designates its reserve balance as

- An “unrestricted” Reserve for Contingencies that serves as the initial source of additional funds when needed.

While the Board recognizes the need to set aside reserves for unanticipated challenges/opportunities and for financial stability, it also recognizes that assessment dollars are intended primarily for accomplishing the objectives defined in the Board’s marketing order or law.

PTAB 2016 Budget Proosal

	2015 Budget	2015 Projected	2016 Budget
1 Inspection Fee (per load)	\$10.00	\$10.07	\$10.00
2 Inspected Paid For Tons	15,000,000	14,361,188	13,200,000
3 Revenue:			
4 Other Revenue	\$190,297	\$175,478	\$161,304
5 GODAB Revenue	\$111,219	\$111,220	\$112,560
6 Inspection Fees	\$5,868,545	\$5,656,483	\$5,178,501
7 Interest	\$1,800	\$4,675	\$5,000
8 Total Revenue	\$6,171,860	\$5,947,857	\$5,457,365
9			
10 Expenditures:			
12 CDFA Administration			
13 Marketing Branch	\$45,000	\$38,184	\$45,000
14 Salaries:	\$3,500,651	\$3,421,798	\$3,451,416
18 Personnel Benefits:			
19 Med (1.45%) + SS (6.2%)	\$246,180	\$242,278	\$245,396
20 Unemployment	\$113,071	\$108,866	\$110,445
21 Workers Comp.	\$230,851	\$222,682	\$228,362
22 Health Insurance	\$175,000	\$172,884	\$184,000
23 Pension Plan Non-Seasonal	\$105,555	\$101,822	\$115,916
24 Pension Plan Seasonal		\$0	
25 Insurance, Liability	\$16,000	\$13,960	\$16,000
29 Administration Travel	\$17,000	\$8,585	\$17,000
31 Board Meetings	\$4,000	\$3,683	\$4,000
32 Seasonal Staff Travel	\$206,160	\$167,192	\$192,840
33 Printing, Contract	\$7,500	\$5,887	\$7,000
35 Telephones	\$23,000	\$24,345	\$25,000
36 Postage & Shipping	\$6,000	\$6,276	\$6,500
37 Rents	\$90,000	\$89,515	\$100,000
38 Office Upkeep & Utilities	\$20,000	\$19,001	\$22,000
39 Professional Services:			
40 EDP Services	\$45,000	\$45,181	\$45,000
41 Other	\$18,000	\$19,219	\$18,000
42 Operation Supplies	\$116,700	\$120,668	\$105,600
45 Repair & Maintenance:			
46 Operation Equipment	\$145,000	\$158,347	\$165,000
47 Office Equipment	\$14,000	\$10,670	\$15,000
48 Miscellaneous Expenses:	\$25,000	\$28,336	\$35,000
49 Research & Development	\$115,000	\$100,459	\$135,000
50 Total Operating Expenses	\$5,284,667	\$5,124,178	\$5,289,475
51			
52 Capital Costs:			
53 Office Equipment	\$1,500	\$2,794	\$2,500
54 EDP Equipment	\$5,000	\$0	\$10,000
55 Operations Equipment	\$510,000	\$495,379	\$180,000
56 Total Capital Expenditures	\$516,500	\$498,173	\$192,500
57 Total Program Expenditures	\$5,801,167	\$5,622,351	\$5,481,975
Net Cash Flow	\$370,693	325,505	(\$24,609)
58			
59 Beginning Cash Reserve	\$1,953,566	\$1,953,565	\$2,279,071
60 Net cash Flow	370,693	325,505	(\$24,609)
61 Ending Cash Reserve	\$2,324,259	\$2,279,071	\$2,254,461

Exhibit D



United States Department of Agriculture
National Agricultural Statistics Service



2016 California Processing Tomato Report

Cooperating with the California Department of Food and Agriculture
Pacific Region · P.O. Box 1258 · Sacramento, CA 95812 · (916) 498-5161 · (855) 270-2722 Fax · www.nass.usda.gov/ca

Released: January 14, 2016

TOMATO PROCESSORS EXPECT TO CONTRACT 13.2 MILLION TONS IN 2016

The USDA-NASS Pacific Regional Office surveyed California's tomato processors for their intended contract acreage and tonnage for the upcoming 2016 season. The data reported by processors was either tonnage with derived acreage, or acreage with derived tonnage.

California's tomato processors reported they have, or will have, contracts for 13.2 million tons this year, as of January. Processors estimate that the contracted production for 2016 will come from 271,000 acres producing an average yield of 48.7 tons per acre. The contracted planted acreage forecast is a 8 percent decrease from what was reported under contract in the August 2015 California Processing Tomato Report.

This early processing tomato estimate is funded by the California League of Food Processors, in cooperation with the California Department of Food and Agriculture.

INTENDED AND FINAL HARVESTED CONTRACTED PRODUCTION

Year	January 1	Final	Difference
	Thousand tons		
1997	9,600	9,242	-358
1998	10,000	8,846	-1154
1999	11,500	11,990	+490
2000	10,100	10,131	+31
2001	8,900	8,564	-336
2002	10,500	10,806	+306
2003	10,900	9,141	-1759
2004	11,000	11,000	+350
2005	10,300	9,440	-860
2006	11,600	10,024	-1576
2007	12,000	11,965	-35
2008	11,800	11,691	-109
2009	13,300	13,148	+14
2010	12,600	12,212	-388
2011	12,600	11,900	-700
2012	12,700	12,540	-160
2013	13,000	11,900	-1,100
2014	13,500	13,965	465
2015 ^{1/}	15,000	(NA)	(NA)
2016	13,200	(NA)	(NA)

^{1/} Revised 2015 data will be released in the *Vegetables 2015 Summary* at www.nass.usda.gov on February 4, 2016.

(NA) Not available.

Processing Tomato Advisory Board
2016 Inspection Fee Distribution

Inspection Station	Inspection Fee Per Load
Britz	\$10.20
Dixon	\$10.72
Escalon	\$10.76
Hanford	\$10.14
Hollister	\$11.50
Ingomar	\$9.56
JG Boswell Kern	\$10.20
JG Boswell Kings	\$10.24
Liberty	\$9.90
Los Banos	\$9.68
Los Gatos	\$9.74
Oakdale	\$10.28
Olam - Lemoore	\$10.28
Olam - Williams	\$11.52
Panella Stkn	\$10.58
Patterson	\$14.62
Pacific Coast Producers	\$10.00
Santa Nella	\$9.68
Stanislaus	\$9.88
Toma Tek	\$10.72
Valley	\$10.62
Exempt Tonnage (per ton)	\$0.18

Exhibit E

Grading Station Production - 2015

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Britz	4.46	4.46	4.25	4.43	4.32	4.32	4.29	4.25	3.91	3.29
Dixon	3.71	3.90	3.78	3.79	3.78	3.96	4.09	3.93	3.77	3.61
Escalon	3.84	3.85	3.62	3.63	3.53	3.67	3.43	3.49	3.85	3.73
Hanford	4.42	4.41	4.51	4.62	4.42	3.81	4.12	3.80	4.04	3.68
Hollister	3.06	3.32	3.15	3.52	3.31	3.05	3.23	3.50	3.29	1.66
Ingomar	5.56	5.52	5.09	5.59	5.40	5.57	4.83	4.68	4.55	4.36
JG Boswell Kern	4.39	4.42	4.34	4.33	4.21	3.24	4.27	4.39	4.49	4.07
JG Boswell Kings	4.47	4.30	4.18	4.25	3.91	2.87	4.12	3.92	---	---
Liberty	4.39	4.97	5.07	5.14	4.75	5.24	4.95	4.76	4.88	4.80
Los Banos	5.23	5.22	5.09	5.49	5.28	5.25	5.11	4.59	4.57	4.42
Los Gatos	5.25	5.04	4.93	4.88	4.77	4.58	4.66	4.53	4.59	4.78
Oakdale	4.31	4.24	4.31	4.31	4.28	4.41	4.17	4.21	4.11	4.01
Olam - Lemmoore	4.4	4.22	4.25	4.34	4.31	4.03	4.34	4.11	4.16	4.18
Olam - Williams	3.12	3.29	3.08	3.14	2.98	3.14	3.52	3.50	3.36	3.27
Panela Stkn	3.97	3.95	3.89	3.96	4.07	3.82	2.03	3.91	4.01	3.89
Patterson	3.03	1.40	1.31	1.89	1.76	2.27	4.00	2.02	1.67	1.37
PCP	4.86	4.63	4.46	4.34	4.23	4.03	4.00	4.18	4.17	3.91
Santa Nella	4.77	5.55	5.17	5.54	5.46	5.58	5.05	4.66	4.64	4.37
Stanislaus	4.88	4.77	4.88	4.37	4.37	4.50	4.43	4.55	4.57	4.62
Toma Tek	4.15	3.65	3.60	3.82	4.59	4.47	4.41	4.43	4.35	4.27
Valley	3.91	3.90	3.89	3.74	3.65	3.45	3.59	3.34	3.55	3.75

3-Year Production Average

(*used to calculate 2016 inspection fee distribution)

	2015	2014*	2013	2012	2011	2010	2009	2008	2007	2006
Britz	4.39	4.38	4.33	4.36	4.31	4.29	4.15	3.82	3.70	3.56
Dixon	3.80	3.82	3.78	3.84	3.94	3.99	3.93	3.77	3.42	3.25
Escalon	3.77	3.70	3.59	3.61	3.54	3.53	3.59	3.69	3.66	3.50
Hanford	4.45	4.51	4.52	4.28	4.12	3.91	3.99	3.84	3.78	3.56
Hollister	3.18	3.33	3.33	3.29	3.20	3.26	3.34	2.82	2.41	2.13
Ingomar	5.39	5.40	5.36	5.52	5.27	5.03	4.69	4.53	4.37	4.30
JG Boswell Kern	4.38	4.36	4.29	3.93	3.91	3.97	4.38	4.32	4.19	3.89
JG Boswell Kings	4.32	4.24	4.11	3.68	3.63	3.64	4.02	---	---	---
Liberty	4.81	5.06	4.99	5.04	4.98	4.98	4.86	4.81	4.70	4.61
Los Banos	5.18	5.27	5.29	5.34	5.21	4.98	4.76	4.53	4.37	4.31
Los Gatos	5.07	4.95	4.86	4.74	4.67	4.59	4.59	4.63	4.55	4.48
Oakdale	4.29	4.29	4.30	4.33	4.29	4.26	4.16	4.11	3.93	3.80
Olam - Lemmoore	4.29	4.27	4.30	4.23	4.23	4.16	4.20	4.15	4.20	4.14
Olam - Williams	3.16	3.17	3.07	3.09	3.21	3.39	3.46	3.38	3.26	3.25
Panela Stkn	3.94	3.93	3.97	3.95	3.91	3.86	3.92	3.94	3.72	3.50
Patterson	1.91	1.53	1.65	1.97	2.02	2.11	1.91	1.69	1.31	1.31
PCP	4.65	4.48	4.34	4.20	4.09	4.07	4.12	4.09	3.96	3.91
Santa Nella	5.16	5.42	5.39	5.53	5.36	5.10	4.78	4.56	4.43	4.40
Stanislaus	4.84	4.67	4.54	4.41	4.43	4.49	4.52	4.58	4.42	4.20
Toma Tek	3.80	3.69	4.00	4.29	4.49	4.44	4.40	4.35	4.15	3.97
Valley	3.90	3.84	3.76	3.61	3.56	3.46	3.49	3.55	3.48	3.39



PROCESSING TOMATO ADVISORY BOARD

1111 E. 10th Street • P.O. Box 1000 • Denver, Colorado 80202 • Phone: 303.733.1111

January 19, 2016

TO: PTAB Members
FROM: Tom Ramme
RE: Interim 2017 Budget

Greetings,

Historically, the Board reviews and approves its budget at the January meeting. And, after the board stamps its approval, CDFA has 30 to 45 days for its review and approval process. The budget is unofficial while it is in these various stages of review, so technically we are operating without a budget during the first few weeks of our fiscal (calendar) year.

We propose the Board approve an interim budget to allow a seamless transition between budgeting cycles without disrupting the timing of our meetings, changing our fiscal year or delaying the payments of our obligations.

Below is the proposed interim budget for Quarter 1, 2017. This should be an ample amount to cover fixed expenses like rents, insurance payments and salaries until the official budget is signed and approved by the Board and CDFA. The official twelve-month budget supersedes the Q1 interim budget once we receive the approved version at our office.

PTAB's Interim Budget January 1, 2017 through March 30, 2017.

Revenue:	\$30,000
Expenses:	\$300,000