

REAL CHRISTMAS TREE BOARD
BOARD MEETING
July 18, 2024

Via Video Conference

Welcome and Roll Call: The meeting was called to order at 11:00 a.m. Eastern time by Vice-Chairman Chuck Berry.

Board Members in Attendance: Jane Neubauer, Gary Westlake, Larry Downey, Mark Schmidlin, Charles Fowler, Chuck Berry, JoLynn Stroda, Renee Beutell, Bob Schaefer, Mike Jones, and Chris Aldrich

Board Members not in Attendance: Derek Ahl

USDA Representative in Attendance: George Webster

Staff in Attendance: Marsha Gray, Cyndi Knudson, and Jenny Tomaszewski

Guests in Attendance: Barry Campbell

Agenda:

It was **MOVED** by Renee Beutell and **SECONDED** by Mark Schmidlin to approve the agenda as presented.
MOTION APPROVED.

Meeting Minutes:

- Renee Beutell requested that the spelling of her last name be corrected.
- Jane Neubauer requested a change under the Promotion Committee, item B. The last sentence reads negative condensation and should be a negative conversation.

It was **MOVED** by Charles Fowler and **SECONDED** by Bob Schaefer to approve the June 20, 2024, Board meeting minutes as corrected. **MOTION APPROVED.**

Chairman's Comments: No new items to report.

Committee Reports

Finance Committee - Bob Schaefer reported.

- a. **June 2024 Financial Statement** – Schaefer provided a detailed overview of the June 2024 financials, highlighting the late fee income received.
- Marsha Gray shared that the half-million CDARS has matured. The next financial statement will include a \$5,000 deposit from the interest accrued.

It was **MOVED** by Mark Schmidlin and **SECONDED** by Charles Fowler to accept the June 2024 financials as they were presented. **MOTION APPROVED.**

- b. **Approval of Auditor** – Marsha Gray shared that Propp Christensen Caniglia, LLC, is a CPA firm that has previously provided RCTB financial audits; they have submitted their letter of engagement to the Finance Committee. A slight increase in cost will be applied - the estimate for a new audit is \$7,800 to \$8,800.

It was **MOVED** by Renee Beutell and **SECONDED** by Mark Schmidlin to approve engaging Propp Christensen Caniglia, LLP., to audit the RCTB's financial records for the 2023-2024 fiscal year.

Research Committee - Mark Schmidlin and Cyndi Knudson reported.

- a. **Status of Research Proposals** - The RFP submission period has now closed. The Research Committee received 18 proposals from 13 different Universities requesting \$476,000. The Committee will assemble its selections and present them at the August Board meeting.
- b. **Webinar Schedule** – Knudson shared that several dates have been selected for webinars: September 10th - Rich Coles’ research on the homemade deer repellent, similar to the Trico product. September 24th – An overview of RCTB marketing resources and how to access them. The second set of webinars will be held on January 7th and January 28th, with topics to be announced.

Governance Committee – Charles Fowler reported.

- a. **Order Status** – Fowler shared that the Office of General Counsel wants to clean up the verbiage on “fiscal year” or “fiscal period,” keeping it consistent throughout the Order. George Webster shared fiscal period is defined in the Order definition section. After the OGC accepts the changes, the next step is for the Order to move to the Legislative Review Office, which will review and provide a date for the Order's publication. There will be a 30-comment period.

Promotion Committee - Jane Neubauer reported.

- a. **Update on Agreement with FleishmanHillard** – Neubauer shared that the Board approved the contract via email vote, with nine votes yes and no votes against it, approving the contract for \$798,000 with FleishmanHillard for the 2024 promotion campaign.
- b. **Virtual Field Trip Working Group Proposal** - Neubauer shared that the working group recommends Shiftology, a firm out of Ohio specializing in virtual field trips. The committee would like to schedule two to three field trips for this fiscal year. They are working to determine who they wish to feature, considering different regions and time zones to accommodate all areas, and looking at a target market of Elementary students, 2nd to 4th graders. The working group is seeking a budget of \$10,600; they would like to shift the \$5,636 of unspent Promotion funds from the accrued account and pull \$5,000 from the Promotion budget.
- Board members discussed how to spread the reach of these videos.

It was **MOVED** by Renee Beutell and **SECONDED** by Mike Jones to approve the \$10,600 for virtual field trips. **MOTION APPROVED.**

Compliance Committee - Renee Beutell reported.

- a. **Contract Renewals** - Beutell and Marsha Gray provided an overview of Jason Hanselman's and Jamie Hanselman's work. The Committee recommends that the Board renew contracts with Jason Hanselman and Jamie Hanselman for a maximum of \$10,000 each for this fiscal year. Jamie Hanselman has requested an hourly rate increase from \$45 to \$50 per hour.

It was **MOVED** by Renee Beutell and **SECONDED** by Charles Fowler to renew contracts for Jason Hanselman and Jamie Hanselman for a maximum of \$10,000 each per fiscal year and approve Jamie Hanselman’s hourly rate increase from \$45 to \$50 per hour. **MOTION APPROVED.**

Industry Relations - Gary Westlake reported.

- a. **Mailing Project Update** - Marsha Gray shared that the pocket folder will be mailed to all assessment payers. It will include a business card with their farm name and unique grower ID number, a spot to write their username and password, an information sheet on creating their user account, and a small booklet of RCTB resources. Two stickers, “Real Joy” and “Make Scents,” have been created; one will be included in the pocket folder mailing, and the rest will be handed out at State Association meetings. Gray

shared that buttons have been created to hand out to vendors working the State Association meetings as a thank-you for supporting the Christmas tree industry.

Management Staff Update - Marsha Gray reported.

- a. **Assessment Collection Update:** As of July 18, 2024, we have received 1,067 domestic payers through the lockbox for \$1,237,038.75 and an Importer Assessment received via US Customs for \$245,312.25, totaling \$1,482,351.00.
- b. **On-Line Reporting and Payment System, Database Update** - Gray shared that going forward, every Tuesday, Gray and Jenny Tomaszewski will meet with Steve Mortimore with Fishhook Development to help complete the final punch list.
- c. **Incentive for Online** – Gray wants the Board to decide if they should offer an incentive for those reporting/paying their assessment online, possibly entering those individuals into a drawing. No decision was made, but Gray would like the Board to consider ideas.

Old Business: No new items to report.

New Business:

- a. **Approval of Legal Retainer - Watkinson Miller** - Marsha Gray provided the retainer letter from Watkinson Miller, PLLC, who is the RCTB's Legal Counsel.

It was **MOVED** by Bob Schaefer and **SECONDED** by Renee Beutell to approve Watkinson Miller, PLLC., as the RCTB's legal counsel. **MOTION APPROVED.**

- b. **Capital Christmas Tree Project Partnership/Sponsorship** - Marsha Gray shared that the Capital Christmas Tree group is looking for the Board to help them source the Christmas trees in Washington, DC. The needed trees include 10 ft, 12 ft, and 25 ft trees, along with several smaller trees. The shipping and movement of the trees are covered.

It was **MOVED** by Gary Westlake and **SECONDED** by Mike Jones to approve being an official sponsor of the Capital Christmas Tree Project for 2024. **MOTION APPROVED.**

USDA – George Webster reported.

- a. **Status of Order Changes** – Webster reported on the Order changes under the Governance Committee report.
- b. **Status of Non-Reporting Importer turned over to USDA** – Webster shared that he has reached out to the Office of General Counsel for a status report regarding the non-reporting importer, but at this time, there is nothing new to report.

For the Good of the Order/Announcements:

- Mark Schmidlin thanked Chuck Berry for running a very smooth meeting.
- Jane Neubauer requested the Board think of farms or growers who would be good candidates to host one of the virtual field trip tours, someone who is good at speaking and has a farm that could showcase what Christmas tree growers do.

Meeting Schedule:

- a. **Next Meeting** - The RCTB's next meeting will be a conference call on Thursday, August 15, 2024, at 11:00 a.m. Eastern.

Adjourn:

It was **MOVED** by Bob Schaefer and **SECONDED** by Mike Jones to adjourn the meeting. **MOTION**

APPROVED.

Vice-Chairman Chuck Berry adjourned the meeting at 12:15 p.m. Eastern.

Respectfully Submitted,
Mike Jones
Secretary