

REAL CHRISTMAS TREE BOARD
BOARD MEETING
August 15, 2024

Via Video Conference

Welcome, and Roll Call: Chairman Derek Ahl called the meeting to order at 11:00 a.m. Eastern time.

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

Board Members not in Attendance: Mark Schmidlin

USDA Representative in Attendance: George Webster

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

Agenda:

It was **MOVED** by Charles Fowler and **SECONDED** by Larry Downey to approve the agenda as presented. **MOTION APPROVED.**

Meeting Minutes:

It was **MOVED** by Chuck Berry and **SECONDED** by Gary Westlake to approve the July 18, 2024, Board meeting minutes as presented. **MOTION APPROVED.**

Chairman's Comments: Derek Ahl reported.

- Ahl shared that he will present at the Wisconsin Christmas Tree Association Meeting on August 16-17.

Committee Reports

Finance Committee: Bob Schaefer reported.

- a. **July 2024 Financial Statement (Unaudited)** - Schaefer provided a detailed overview of the July 2024 year-end financials, highlighting that the accrued expenses line item went down by roughly \$200,000. Marsha Gray shared that Cyndi Knudson contacted Researchers to wrap up their final reports for the 2023/24 fiscal year. The accrued balance went from \$317,700 down to \$106,000 before accruing the balances for the 2023-24 fiscal year research projects and compliance audits.

It was **MOVED** by Gary Westlake and **SECONDED** by Renee Beutell to accept the July 2024 year-end financials as they were presented. **MOTION APPROVED.**

- Marsha Gray shared that the audit process will begin on Monday, August 19th. Bob Schaefer and Gray will participate in the audit entrance phone call to start the audit process, which takes roughly 30-45 days; the final audited financial statement will be provided to the Board when complete.

Research Committee: Renee Beutell reported for Mark Schmidlin.

- a. **Research Committee Recommendation for Funding of Research Projects** – Beutell and Knudson presented the Research Committee's recommendations to the Board for the 2024-25 fiscal year. The Committee recommends eight projects for funding totaling \$158,585.00, pulling \$8,585 from the reserve fund.

- Board members discussed the Research projects.

It was **MOVED** by Chuck Berry and **SECONDED** by Charles Fowler to approve the eight research proposals recommended by the Research Committee. **MOTION APPROVED.**

It was **MOVED** by Gary Westlake and **SECONDED** by Bob Schaefer to use \$8,585 from the reserve fund to fund the cost of the eight approved projects above the budgeted \$150,000. **MOTION APPROVED.**

Governance Committee: Charles Fowler reported.

- a. **Order Status** – Fowler shared that the Order remains in the Office of General Counsel. George Webster shared that they have been going back and forth with OGC. OGC had a question regarding the Paperwork Reduction Act, specifically regarding two changes. The government wants to limit the burden on the amount of paperwork producers complete. The two changes they felt would make for a higher burden are record retention from 3 years to 5 years and the ability of importers to request refunds for trees that are imported but not sold. Webster shared that this is the last item that they are waiting on.

Promotion Committee: Jane Neubauer reported.

- a. **2024 Campaign** - Neubauer shared many moving items going on in the background, touching on the consumer survey questions that will be out in a couple of weeks, social posts, and finding third-party individuals for the seasonal video.
- b. **Virtual Field Trip** – the contract has been drafted and will be heading to USDA for approval. Neubauer shared that the committee is looking for an ideal candidate(s) who would be good to host a field trip on their farm.
- c. **Trees for Troops** – As in the past, the Promotion Committee would like to sponsor \$10,000 for Trees for Troops.

It was **MOVED** by Renee Beutell and **SECONDED** by JoLynn Stroda to approve a \$10,000 partnership for Trees for Troops. **MOTION APPROVED.**

- d. **Grower Survey** - Marsha Gray shared that in addition to the consumer survey, there is also a grower survey that is sent to the largest producers. The survey was sent out of the RCTB office a couple of days ago, and 20 responses have been received thus far.
- e. **Millennial Industry Grower**- Gray shared that FleishmanHillard is looking for a millennial industry grower (40 and under) to help with media outreach. Hoping to include some new names and faces for interviews as well as a “State of the Season” video. This grower must provide a positive message, be active in the industry, and represent the RCTB. Gray has requested that the Board let her know if they have any recommendations.

Compliance Committee: Renee Beutell reported.

- Beutell shared that 2024/25 contracts with Jason Hanselman and Jamie Hanselman have been signed.
- Marsha Gray shared that two remaining grower audits with auditor Jim Lantz have been notified and are uncooperative. Gray reached out to USDA to determine the next steps.

Industry Relations: Gary Westlake reported.

- a. **Potential Contractor** – Westlake and Marsha Gray meet with Michelle Rothmeyer, who works as a contractor for the California Avocado Commission. The Industry Relations Committee is interested in contracting Rothmeyer to provide the Board with feedback on the RCTB industry communications and how they can better communicate with growers. Rothmeyer will be

- providing the committee with a proposal.
- b. **Mailing Project** – Westlake shared that the 6x9 pocket mailer will be mailed to assessment payers soon. The grower will receive their unique grower ID, a how-to sign-up sheet, RCTB resources, and a sticker within each folder.
 - c. Question was raised: what funds were set aside for the work with Michelle Rothmeyer? Marsha Gray shared that the committee didn't have a specific budget. However, the Board did increase the Industry Relations Committee's budget from \$30,000 to \$50,000, knowing that the RCTB is coming up on referendum. The Committee wants to see the proposal and how she can help the Board over the next year.

Management Staff Update: Marsha Gray reported.

- a. **Assessment Collection Update** - As of August 14, 2024, we have received 1,072 domestic payers through the lockbox for \$1,238,278.95 and an Importer Assessment received via US Customs for \$245,312.25, totaling \$1,483,591.20.
- b. **On-Line Reporting and Payment System, Database Update** – Gray shared that she would like Board members to sign up for the online reporting system first. Jenny Tomaszewski will reach out to Board members early next week when we receive final confirmation from Steve Mortimore with Fishhook Development that everything is ready to proceed.
- c. **Incentive for Online** – Gray asked the Board for their opinion on offering an incentive. Board members discussed the incentive idea and have decided not to pursue it.
- d. **Capital Christmas Tree** - Gray shared that Jim Rockis and his company will provide many of the requested trees. The Cartner family has volunteered to provide the 25-foot requested Christmas tree for the Whitten Building, as they will also provide the White House Christmas Tree. Many details will need to be coordinated. The RCTB will work with NCTA and Jennifer Greene at the North Carolina Christmas Tree Association. The Cartner Family and RCTB will receive acknowledgment for the trees.

Old Business: No new items to report.

New Business:

- a. **RCTB Summer 2025 Board Meeting** – Gray proposed that the Board schedule their summer meeting for July 24, 2025, in conjunction with the National Summer Meeting at Dutchman Tree Farms in Manton, MI.

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutell to move forward with the RCTB Summer Board meeting in Manton, Michigan, for July 2025. **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 the non-reporting Importer case remains with the Office of General Counsel. Webster reached out for an update, but there is nothing new to report at this time.

For the Good of the Order/Announcements:

- Charles Fowler shared that Chuck Berry did an excellent job presenting at the North Carolina Christmas Tree Association meeting.
- Marsha Gray shared that the Commodity Round Table is hosting a meeting in September in Portland, Maine, and plans to attend. This is the same week that she will be presenting at the Maine/Vermont/New Hampshire meeting. Gray shared that the Commodity Round Table is an

excellent resource for the Board.

- Chris Aldrich shared that the Pacific Northwest Christmas Tree Association Meeting and Tree Fair will be held September 6-7. Marsha Gray will be presenting.

Meeting Schedule:

- a. **Next Meeting** - The RCTB's next meeting will be a conference call on Thursday, September 19, 2024, at 11:00 a.m. Eastern.

Adjourn:

It was **MOVED** by Bob Schaefer and **SECONDED** by Chuck Berry to adjourn the meeting. **MOTION APPROVED.**

Chairman Derek Ahl adjourned the meeting at 12:15 p.m. Eastern.

Respectfully Submitted,
Mike Jones
Secretary