

REAL CHRISTMAS TREE BOARD
BOARD MEETING
September 19, 2024

Via Video Conference

Welcome, and Roll Call: Chairman Derek Ahl called the meeting to order at 11:01 a.m. Eastern time.

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

Board Members not in Attendance: Larry Downey

USDA Representative in Attendance: George Webster

Staff in Attendance: Marsha Gray and Jenny Tomaszewski

Agenda:

Marsha Gray requested the addition of item C. Authorizing the Finance Committee and Executive Committee to make investment decisions regarding the CDARS investment.

It was **MOVED** by Bob Schaefer and **SECONDED** by Mark Schmidlin to approve the agenda as corrected.

MOTION APPROVED.

Meeting Minutes:

It was **MOVED** by Chuck Berry and **SECONDED** by Bob Schaefer to approve the August 15, 2024, Board meeting minutes as presented. **MOTION APPROVED.**

Chairman's Comments: Derek Ahl reported attending the Minnesota and Wisconsin Christmas Tree Association meetings. The last webinar on deer repellents was very well received, and producers are already discussing the next webinar on September 24th.

Committee Reports

Finance Committee: Bob Schaefer reported.

- a. **August 2024 Financial Statement** - Schaefer provided a detailed overview of the August 2024 financials.

It was **MOVED** by Charles Fowler and **SECONDED** by JoLynn Stroda to accept the August 2024 financials as they were presented. **MOTION APPROVED.**

- b. **Schedule Meeting to Approve 2023-24 Audit** - A full Board meeting with one agenda item, to receive the final report from the auditor and accept the audit, will take place on Friday, October 4th, at 11:00 a.m. Eastern.
- c. **CDARS Investment** - Marsha Gray stated that the million-dollar CDARS is set to mature in November. With it being prime season, Gray is recommending that the Finance Committee /Executive Committee have authorization from the Board to make investment decisions when the CDARS has matured.

It was **MOVED** by Mark Schmidlin and **SECONDED** by Gary Westlake to authorize the Finance Committee / Executive Committee to make financial decisions until the next Board meeting in January. **MOTION APPROVED.**

Research Committee: Mark Schmidlin and Cyndi Knudson reported.

- a. Mark Schmidlin shared that he attended the International Research Conference in Denmark at his own expense. The RCTB provided “makes scents” buttons for all attendees, which were well received.
- b. **Research Proposals** - Schmidlin shared that two approved grant research contracts have been signed and approved. The committee is waiting for the remaining agreements to be returned.
- c. **Research Library** - Marsha Gray shared that 12 new reports have been approved by USDA and will be added to the Research Library on the .org site very soon.

Governance Committee: Charles Fowler reported.

- a. **Order Status** – George Webster shared that the Office of General Council 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 had a meeting with a contact who handles Paperwork Reduction Act items for the division and was able to walk them through the requested changes. The contact agrees that these two changes implicate the Paperwork Reduction Act due to the extra burden to the growers who must retain these documents. Webster shared that these changes can be justified within the Rule. Webster made some changes and has sent it back for review. Once the Order has been approved by the OGC, the Legislature Review Office will work with the Federal Review Office to get it published.
- Marsha Gray shared that she is concerned the Order would be published in the Federal Register mid-harvest. Board members discussed a variety of dates, and whether a 30-day or 60-day comment period was required would determine when the best time to publish the Order in the Register would be.

Promotion Committee: Jane Neubauer reported.

- a. **Virtual Field Trip** - Neubauer shared that the Committee has decided to produce two virtual field trips for the 2024 season and three additional field trips in 2025. The two farms identified for the 2024 field trips are Stroda Brothers in Oregon and Peterson’s Riverview Nursery in Michigan. For the Oregon location, we will be partnering with Oregon Ag in the Classroom to assist with on-site technology, and we are hoping to partner with Michigan State University for the Michigan location. The committee is working to prepare specific messages from the RCTB that will come through in the messaging. Neubauer encouraged Board members to watch the field trip live, but a recording will also be posted on the RCTB YouTube channel.
- Question was raised regarding the target age. These field trips will be targeting grades 1-4. It was encouraged that a video be created that could be targeted to FFA students, middle school students, and high school students in the future.
- b. **2024 Campaign** - Neubauer provided an update on the 2024 campaign, sharing that the consumer survey is finished. The results have not been released but should be available to the Committee within the next week. The data obtained from the consumer survey feeds at least one of the press releases to get the media’s attention. The grower survey is completed, and the results are included in our first press release.
- The Committee is launching two new projects to increase media interest and provide useful assets. The first project involves recording growers answering questions commonly asked by the media. The recordings will be available for reporters to download and use when there is no time to schedule an interview during the season. Eight growers have been selected to participate, including Derek Ahl, one of the producers selected. Ahl provided feedback on the process and said he feels it is a beneficial tool.

- Neubauer shared the second project. They have selected three different third-party experts, and FleishmanHillard is working with these individuals to get good quotes. These experts are an environmental expert, a family development specialist, and a scent expert.
- The Committee continues to work on social media posts on Facebook, Instagram, and TikTok. Also working on search optimization and determining social media influencers.
- c. **Capital Christmas Tree** - Marsha Gray shared that the Cartner Family has volunteered to provide the 25-foot Christmas tree for the Whitten Building, as they will also provide the White House Christmas tree. Still working out the delivery details.

Compliance Committee: Renee Beutell reported.

- Marsha Gray shared that auditor Jim Lantz has two remaining audits. The two remaining growers have been challenging to schedule. One is planned for next week, and the other may not be completed until January.
- Jamie Hanselman continues working on the small producers and getting them compliant. Marsha Gray provided an overview of Hanselman's process of contacting these producers. Jenny Tomaszewski will send an email to the Board with a copy of the letter that the newly identified producers received.

Industry Relations: Gary Westlake reported.

- a. **Industry Communications Contractor** - Westlake shared that a proposal from Michelle Rothmeyer with Gingerroot was emailed to the Board. The Industry Relations Committee would like to propose starting with a small investment with Rothmeyer, with a minimum of 10 hours per month, at \$100 per hour, \$12,000 yearly. Marsha Gray shared that Gray Management would reduce her fee up to \$300 per month, \$3,600 for the year, if applied to the contract for Gingerroot.
- Board members discussed the idea, the length of the contract, and the concerns about the overlap with FleishmanHillard.

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutell to issue an 11-month contract with Michelle Rothmeyer with Gingerroot for a maximum of 13 hours per month and accept Gray Management's proposal to reduce their management fee by \$300 per month for \$3,300 yearly.

Board members discussed the motion.

Chuck Berry has rescinded the motion.

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutell to contract with Michelle Rothmeyer with Gingerroot immediately, with a contract running through July 31, 2025, for a maximum of \$13,300 at \$100 per hour for communication services. **MOTION APPROVED.**

Jane Neubauer shared a concern about Gray Management offering to reduce the monthly fee to help fund the Gingerroot contract. She noted that Marsha Gray has added the Virtual Field Trip project to her plate without requesting additional compensation. Gray acknowledged Neubauer's concern and assured the Board that she was willing to make the offer because the work of Michelle Rothmeyer should reduce some work currently being undertaken by Gray Management.

It was **MOVED** by Chuck Berry and **SECONDED** by Gary Westlake to accept the proposal from Gray Management to reduce the monthly fee by \$300 to increase the Industry Relations Committee. **MOTION APPROVED.**

- b. **Mailing Project** – Jane Neubauer thanked the Industry Relations Committee for their work in putting together the mailing project.

Management Staff Update: Marsha Gray reported.

- a. **On-Line Reporting and Payment System, Database Update** – Gray shared that the system is running, and producers have begun registering their user accounts.

Old Business: No new items to report.

New Business:

- a. **Discussion Regarding In-Person Meeting Winter 2025** - Derek Ahl shared three options regarding the RCTB's Winter meeting: do not meet in person, meet at the Pacific Northwest meeting, or meet in Boone, North Carolina. Board members discussed the options.

It was **MOVED** by Chuck Berry and **SECONDED** by Gary Westlake to have the February in-person Board meeting in North Carolina in conjunction with the North Carolina Association meeting. **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 Marsha Gray sent an email to him and upper management inquiring about a status update about the noncompliant Importer. There has been no update.
- c. **Nominations** - Webster shared that the Nominations packet has been assembled and sent to the Secretary's office.
- d. **USDA Fees** - Bob Schaefer shared that the Board received a letter stating that the AMS fees will increase as early as October 1st.

For the Good of the Order/Announcements:

- Chris Aldrich thanked Marsha Gray for attending the Tree Fair in the Northwest.
- Renee Beutell asked if a new management company has been hired for the NCTA. Bob Schaefer shared that Rick Dungey and his management firm will take over. A question was raised whether there will be a press release about the change in management.
- Mark Schmidlin, Bob Schaefer, and Gary Westlake thanked fellow Board members for the time that they served on the Board.
- Derek Ahl thanked all outgoing Board members, including Larry Downey, for their commitment and service to the RCTB.

Meeting Schedule:

- a. **Next Meeting** - The RCTB's next meeting will be a single-item agenda conference call on Friday, October 4, 2024, at 11:00 a.m. Eastern.

Adjourn:

It was **MOVED** by Gary Westlake and **SECONDED** by Mark Schmidlin to adjourn the meeting. **MOTION APPROVED.**

Chairman Derek Ahl adjourned the meeting at 12:55 p.m. Eastern.

Respectfully Submitted,

Mike Jones
Secretary