

REAL CHRISTMAS TREE BOARD
BOARD MEETING
January 16, 2025

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: Derek Ahl, Chris Aldrich, Charles Fowler, Chuck Berry, Renee Beutell, Mike Jones, Jane Neubauer, JoLynn Stroda, Jan Hupp, Kari Puffer, Ryan Tyce, and Gary Thomas

USDA Representative in Attendance: George Webster

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

Guests in Attendance: Michelle Rothmeyer, Barry Campbell

Derek Ahl thanked the Board for allowing him to serve as chairman over the past year.

Agenda

Marsha Gray requested the addition of approval of the auditor contract under Compliance.

It was **MOVED** by Charles Fowler and **SECONDED** by Chuck Berry to approve the agenda as presented.

MOTION APPROVED.

Board Introduction – Board members took a moment to introduce themselves.

Meeting Minutes

It was **MOVED** by Chris Aldrich and **SECONDED** by JoLynn Stroda to approve the September 19, 2024 Board meeting minutes as presented. **MOTION APPROVED.**

It was **MOVED** by Renee Beutell and **SECONDED** by Chuck Berry to approve the October 4, 2024 Board meeting minutes as presented. **MOTION APPROVED.**

Nominations Committee and Election of Officers:

The Nomination Committee has recommended the following slate of officers for 2025: Chairman – Chuck Berry, Vice-Chairman – Charles Fowler, Treasurer – Mike Jones, and Secretary – JoLynn Stroda.

Chairperson: The Nomination Committee recommended Chuck Berry. George Webster asked Chuck Berry if he would accept this nomination, and Berry accepted. Webster asked for any additional nominations. There were none.

It was **MOVED** by Charles Fowler and **SECONDED** by Renee Beutell to close nominations and cast a unanimous ballot for Chuck Berry for the Chairman position. **MOTION APPROVED.**

Vice Chairperson: The Nomination Committee recommended Charles Fowler. George Webster asked Charles Fowler if he would accept this nomination, and Fowler accepted. Webster asked for any additional nominations. There were none.

It was **MOVED** by Derek Ahl and **SECONDED** by Chris Aldrich to close nominations and cast a unanimous ballot for Charles Fowler for the Vice-Chairman position. **MOTION APPROVED.**

Treasurer: The Nomination Committee recommended Mike Jones. George Webster asked Mike Jones if he would accept this nomination, and Jones accepted. Webster asked for any additional nominations. There

were none.

It was **MOVED** by Renee Beutell and **SECONDED** by Charles Fowler to close nominations and cast a unanimous ballot for Mike Jones for the Treasurer position. **MOTION APPROVED.**

Secretary: The Nomination Committee recommended JoLynn Stroda. George Webster asked JoLynn Stroda if she would accept this nomination, and Stroda accepted. Webster asked for any additional nominations. There were none.

It was **MOVED** by Chuck Berry and **SECONDED** by Mike Jones to close nominations and cast a unanimous ballot for JoLynn Stroda for the Secretary position. **MOTION APPROVED.**

Appointment of Committee Chairs – Chairman, Chuck Berry, recommended the following appointments:

- a. **Compliance Committee:** Chair - Derek Ahl
- b. **Governance Committee:** Chair - Charles Fowler
- c. **Promotion Committee:** Chair - Jane Neubauer
- d. **Industry Relations Committee:** Chair - Chris Aldrich
- e. **Finance Committee:** Chair - Mike Jones
- f. **Research Committee:** Chair - Renee Beutell

It was **MOVED** by Derek Ahl and **SECONDED** by Renee Beutell to approve the slate of Committee appointments as they were presented. **MOTION APPROVED.**

Committee Reports

Finance Committee – Marsha Gray reported.

- a. Marsha Gray provided a detailed overview of the September 2024, October 2024, November 2024, and December 2024 financials. Pointing out a new line item, receivables. The RCTB, in the past, never had receivables. Income was not recognized until payments were received. With the new online reporting and payment system, if someone reports online, it creates a receivable in QuickBooks.
- Gray pointed out several items within the reports to help new Board members understand how the financials are presented.
- A question was raised about the \$800,000.00 CDARS and when it matures. Gray shared that it matures on April 17th and is currently at a 3.61 yield.

It was **MOVED** by Mike Jones and **SECONDED** by Derek Ahl to accept the September 2024, October 2024, November 2024, and December 2024 financials as they were presented. **MOTION APPROVED.**

Research Committee – Cyndi Knudson reported.

- a. **Update on Research Contracts and Completed Projects** – All contracts are in place for the 2024-25 fiscal year research projects and are progressing.
- b. **Webinar Series**—The RCTB webinars with Michigan State University have received good feedback. Researchers have been happy to share information about the research projects funded by the RCTB. At the January 14th webinar, 169 individuals attended live. The next webinar will be held on January 28th with Dr. Gary Chastanger presenting on Phytophthora.
- c. **NC Research Meeting**—The Christmas Tree industry was granted a Specialty Crop Research Initiative Grant through Justin Whitehill in North Carolina, worth 7.42 million dollars, to research different aspects of genomic improvements of Christmas trees. A meeting will be held January 23-25. Charles Fowler, Renee Beutell, and Knudson will attend. Knudson sits on the advisory committee Board.

Industry Relations Committee – Marsha Gray reported.

- a. **Winter Meeting Presentation Schedule** – Gray shared that the Winter meetings:
 - Missouri – January 18th – will receive a written update
 - Vermont/New Hampshire – January 18th – Gray will be present via Zoom
 - New Jersey – January 25th – Jim Rockis and Beth Bossio will present a written report from Gray.
 - Wisconsin – January 27th – Gray will present in-person
 - Indiana/Illinois – January 31st - Gray will present in-person
 - Pennsylvania – February 6th and 7th – Gray will present in-person
 - Tennessee - February 15th – Chuck Berry will present in-person
 - North Carolina – February 20th – Gray and Board members will be in attendance
 - Pacific Northwest – February 21st – Cyndi Knudson will present in-person
 - Michigan – February 28th – Gray will present in-person
 - Ohio – March 1st – Gray will present in-person
 - Minnesota – March 1st – A Board member will present in-person
 - Connecticut – March 1st - Jim Rockis and Beth Bossio will present a written report from Gray.
 - Each State association meeting will receive a folder packet with RCTB information to hand out.
- b. **Communications Contractor** – Marsha Gray introduced Michelle Rothmeyer, the new Communications Contractor for the RCTB. Gray shared that the next big project that Gray and Rothmeyer will be working on is the ability to post in various private Facebook groups to help get the word of the RCTB out and into the hands of growers.

Michelle Rothmeyer shared a bit about her communication work for the California Avocado Commission and then had to leave the meeting.

Governance Committee – Charles Fowler reported.

- a. **Update on Recommended Changes to Order** – Fowler thanked George Webster for his work on moving the Order forward. George Webster provided a detailed overview of the Order, the current changes, and the Order's status for new Board members. Webster shared that they have contacted the Office of General Counsel (OGC) and requested to move forward. OGC had one last question regarding the change, which would allow Importers to request a refund on trees that were imported and assessments paid, however did not sell through at retail, and Importer of Record was not paid for trees. OGC initially thought it would increase the paperwork, affecting the Paperwork Reduction Act. Webster shared with them that there would be no additional paperwork; as of now, they have accepted it. When OGC gives the okay, the Order will move to the Legislative Affairs Team for the final review and then to the Federal Register for a 30-day public comment period. USDA will review these comments following the 30-day comment period.

Compliance Committee – Renee Beutell and Marsha Gray reported.

- a. **Auditor Contract** - Auditor Jim Lantz, CPA, will conduct up to eight grower audits for \$165 dollars per hour, up to a maximum of \$30,000 per year.

It was **MOVED** by Renee Beutell and **SECONDED** by Charles Fowler to renew a contract with the auditor, Jim Lantz, CPA, to conduct grower audits not exceeding \$30,000. **MOTION APPROVED.**

- Marsha Gray provided a detailed overview of our current contractors: Auditor Jim Lantz is a CPA who visits growers' farms to conduct an audit. Jason Hanselman is a contractor who currently works full-time for the Watermelon Board. Jason investigates the more significant cases for the RCTB, and Jamie Hanselman primarily does outreach to non-reporting farms and tends to work with smaller farms. Jason and Jamie Hanselman are contracted for \$55 and \$50 per hour, respectively, with a cap of \$10,000 each annually.

- Charles Fowler requested that staff present a report on how much is spent on compliance versus collected at the next Board meeting.
- Board members discussed the compliance budget and the best steps moving forward.
- Renee Beutell thanked the Board for her time serving on the Compliance Committee as chairman.

Promotion Committee – Jane Neubauer reported.

- a. **Highlights of the 2024 RCTB Campaign** - Neubauer shared that a full report from FleishmanHillard and team will be presented at the February in-person Board meeting. Neubauer provided the Board with a detailed PowerPoint presentation of the 2024 campaign, hitting on the three main objectives for the 2024 year: Media Authority, Consumer Motivation, and Industry Engagement.
- **Virtual Field Trip** - Neubauer provided an overview of the field trips and shared that \$10,000 was committed to doing five tours. Two tours were conducted in November, one in Michigan and the other in Oregon. Neubauer shared that 1,060 teachers registered for the Michigan tour, and 519 teachers registered for Oregon. Tours reached more than 30,000 students.
- The Virtual Field trip subcommittee will continue to work to schedule the three additional tours.
- Following the meeting, Marsha Gray will share links to the newsroom and the two virtual field trip tours with the Board.

Management Staff Update – Marsha Gray reported.

- a. **Assessment Collection Report** – As of January 15, 2025, we have received 352 payers through the lockbox and online portal for \$183,731.70 and an Importer Assessment received via US Customs for \$220,501.31, totaling \$404,233.01.
- a. **Collection of Importer Assessments by US Customs** - Gray shared that US Customs collects on behalf of the RCTB at the Border. Customs provides the reporting and deposits the funds collected. Gray shared that she is pleased with the collection process.
- b. **Report on Online Reporting and Payment System** – Gray shared that over 300 farms have used the new reporting system. About a third of the producers have used the ACH payment process. Many producers have called the office to receive the form via mail or email.
 - Board members shared their experiences while using the online system. It was suggested that language about the micro-transactions process be added.
- c. **Meeting with AMS Administrator Bruce Summers and Deputy Administrator Christopher Purdy** – In December, Derek Ahl and Gray were in Washington, D.C., for the Christmas tree lighting at USDA and were able to meet with Administrator Bruce Summers and Deputy Administrator Christopher Purdy. They were able to voice their concerns about the increase in AMS user fees, the Order changes, the upcoming referendum, and request a complete list of Christmas tree producers. Ahl shared that it was a good meeting, and Mr. Summers was very receptive to their concerns.
- d. **National Christmas Tree Association** – Gray shared that the NCTA has changed management companies; Rick Dungey is the new manager. Gray and Dungey met with Timothy Richards, whom the Board used for an economic study five years prior. Richards has been working with the NCTA Board to put together a study. Gray asked Richards if they could design a survey/poll to determine how many Christmas trees are sold in the US each year and how to get the best data. Gray shared that if there is a solution, the RCTB and the NCTA could work together to obtain the best data for the industry.

New Business:

- a. **Approval of Commodity Roundtable Membership**—Gray shared that the Commodity Roundtable is a group for the Executives of the various Research and Promotion Programs. The RCTB's yearly membership cost is \$1,389.

It was **MOVED** by Chris Aldrich and **SECONDED** by Renee Beutell to approve the Commodity Roundtable

membership for 2025. **MOTION APPROVED.**

USDA – George Webster reported.

- a. **Status – Non-responding Importer** – Webster provided an overview of the non-reporting Importer for new Board members. Webster shared that the package has been received back from the Office of the General Counsel with a few questions for clarity and asking for updated numbers due to the length of time that it was at OGC. Moving forward, OGC will reach out directly to the Importer and could work with Customs to halt their Imports.
- b. **Status – Recommended Order Changes** – Webster covered the Order changes under the Governance Committee report.
- c. **Administration Changing** – Webster shared that there have been no administrative changes. At the end of the week, the political appointees step down, and career employees act in those roles until the new appointees take over.

For the Good of the Order/ Announcement:

- Chuck Berry thanked the Board for their efforts and stepping up to fill roles.

Meeting Schedule:

- a. **Future Meeting Schedule** – will be held on the third Thursday of each month at 11:00 a.m. Eastern.
- b. **In-person Meeting** – February 19, 2025, in Boone, North Carolina. This is in conjunction with the North Carolina Association meeting on February 20th and 21st.
- c. **Summer In-Person Meeting** – July 24, 2025 – Dutchman Tree Farms, Manton, Michigan, in conjunction with the National Christmas Tree Association meeting.

Adjourn:

It was **MOVED** by Charles Fowler **SECONDED** by Chris Aldrich to adjourn the meeting. **MOTION APPROVED.**

Chairman Chuck Berry adjourned the meeting at 1:25 p.m. Eastern.

Respectfully Submitted,
JoLynn Stroda
Secretary