

REAL CHRISTMAS TREE BOARD
BOARD MEETING
April 15, 2025

Via Video Conference

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

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

USDA Representative in Attendance: George Webster

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

Guest in Attendance: Barry Campbell

Agenda

It was **MOVED** by Derek Ahl and **SECONDED** by Renee Beutell to approve the agenda as presented.

MOTION APPROVED.

Meeting Minutes

It was **MOVED** by Chris Aldrich and **SECONDED** by Renee Beutell to approve the March 20, 2025 Board meeting minutes as presented. **MOTION APPROVED.**

Chairman's Report – Chuck Berry reported.

- a. **Nominations** – Berry shared that there are four open seats: one Eastern, one Central, and two Western. USDA requires two names per open seat. All nominations must be submitted by June 1st.
- b. **Management Review** - Berry shared that a management evaluation of the Gray Management team is conducted annually. Berry sent the review via email to all Board members to complete. The evaluation was requested to be returned to Berry by the end of the week to compile the results.

Committee Reports

Finance Committee – Mike Jones reported.

- a. **March 2025 Financials** - Jones provided a detailed overview of the March 2025 financials.
 - The current CDARS will automatically renew in three days for a 3-month term and cash out in July before the end of the fiscal year.

It was **MOVED** by Charles Fowler and **SECONDED** by Derek Ahl to accept the March 2025 financials as they were presented. **MOTION APPROVED.**

- b. **2025-26 Fiscal Year Budget** – Marsha Gray provided a detailed overview of the proposed budget. Several committee budgets have been reduced to offset the decrease in assessment income.
 - Board members discussed the operating expenses, as they cannot exceed 10% of the total revenue, the \$1.4 million in reserve funds, the Research Committee reserve fund, and the budget allocations for each program area. George Webster confirmed that USDA allows programs to submit a deficit budget and that programs are not allowed to keep an amount in reserves in excess of one year's expenses.

It was **MOVED** by Derek Ahl and **SECONDED** by Chris Aldrich to amend the 2025-26 proposed budget to increase the Promotion Committee Budget from \$770,000 to \$815,000. **MOTION APPROVED.**

- Question was raised about the decrease in the Research Committee budget from \$150,000 to \$115,000. Cyndi Knudson shared that \$60,000 of the budget is already allocated to two research projects that are two-year projects in their second year.

It was **MOVED** by Jane Neubauer and **SECONDED** by Renee Beutell to amend the 2025-26 proposed budget to increase the Research Committee budget to \$150,000, using \$35,000 from the Research Reserve to offset. **MOTION APPROVED.**

It was **MOVED** by Derek Ahl and **SECONDED** by JoLynn Stroda to approve the proposed 2025-2026 fiscal year budget as presented with the two amendments. **MOTION APPROVED.**

Research Committee – Renee Beutell and Cyndi Knudson reported.

- Update on Research Contracts and Completed Projects** – Knudson shared that there was nothing new to report. Annual performance reports will go out in May.
- RFP Process** – The forms and applications have been updated and will be submitted to USDA for approval. As long as USDA approves the budget, the RFP will be announced in the first week of May.

Industry Relations Committee – Chris Aldrich reported.

- Committee Meeting Schedule** – Aldrich shared that the committee met on Tuesday, April 8th. It was well attended. Committee members discussed various messages they would like to portray to the industry: emphasizing what the RCTB does versus the NCTA, promoting the RCTB resource page, what the RCTB has done for the industry lately, and how the RCTB can be available for questions.
- The Industry Relations Committee plans to attend the New Grower session at the Summer Christmas Tree Association meeting.
- Annual Report** – Marsha Gray shared that the annual report has been mailed.

Governance Committee – Charles Fowler reported.

- Update Recommended Changes to Order** – George Webster shared a recap from last month, the Office of General Counsel (OGC) had questions regarding rulemaking and executive language. When a rule is published in the Federal Register, the first few paragraphs mention an executive order and why this rulemaking is authorized. Webster received a template for the executive order language, and the proposed rule has been updated. Webster is hopeful that OGC will finally move the Order to the final step at the Legislative Review. Webster will keep the Board updated as the Order progresses. The 30-day comment period remains.

Compliance Committee – Derek Ahl reported.

- Update** - Marsha Gray shared that Jim Lantz completed the first audit. Two additional audits are scheduled for early May.
- George Webster provided an update on the non-responsive audit candidate. Webster shared that once handed over to the USDA, the first step is to send a letter to the producer stating that, based on the Act and the Order, the Board has the authority to conduct these audits. USDA will commence legal action if they do not reach out within thirty days of receipt. The letter will be sent via FedEx.

Promotion Committee – Jane Neubauer reported.

- 2025 Campaign Planning** – Neubauer shared that the Promotion Committee leadership has a scheduled meeting with FleishmanHillard on April 28th. The Committee is working on developing a social media calendar for the year. The Committee wants to be more independently active on the RCTB social channels throughout the year. Neubauer stated that if anyone on the Board is

interested and enjoys creating social posts, they should let her know.

- b. **Update on FleishmanHillard** - John Armato with FleishmanHillard will retire at the end of May. The Committee met Armato's replacement, Shelly Kessen. Armato will continue consulting independently and is interested in working with the RCTB if it is in our interest and agreeable to FleishmanHillard.
- c. **Virtual Field Trip** - JoLynn Stroda shared that the next Virtual Farm Tour will occur at Jan Hupp's nursery on Friday, April 25th, for Arbor Day. Jan Hupp is working to gather images and drone footage. The Committee is working to become more resourceful in providing stickers and work sheets to print and color in the classroom.

Management Staff Update – Marsha Gray reported.

- a. **Assessment Collection Report** - As of April 14, 2025, the RCTB has received 1,042 payers through the lockbox and online portal for \$1,119,531.60, and Importer Assessments received via US Customs for \$221,415.91, totaling \$1,312,613.21.
 - The question was raised whether the previous year's numbers can be included in the current year's assessment collection report. Gray shared that she would contact the developer to see if a report could be created to compare the current and past years' assessment figures.
- b. **Independent Economic Evaluation RFP Update** - Gray shared that she sent the RFP to seven companies and individuals, mainly universities, requesting proposals by April 20th. Five years ago, the Board worked with Timothy Richards. Gray will collect the proposals received and present them to the Board at the May meeting.

New Business: There was no new business to come before the Board.

USDA – George Webster reported.

- a. **Status—Non-responding Importer** - Webster shared that he recently sent updated figures to the Legal Department, and it remains in the lawyers' hands.
- b. **Status - Non-responding Audit Candidate** – Webster reported under the Compliance Committee.
- c. **Status - Recommended Order Changes** – Webster reported under the Governance Committee.

For the Good of the Order/ Announcement: No items were reported.

Meeting Schedule:

- a. **Future Meeting Schedule** – The next meeting of the RCTB will be held on Thursday, May 15, 2025, at 11:00 a.m. Eastern.
- b. **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 and **SECONDED** by Renee Beutell to adjourn the meeting. **MOTION APPROVED.**

Chairman Chuck Berry adjourned the meeting at 12:42 p.m. Eastern.

Respectfully Submitted,
JoLynn Stroda
Secretary