

CHRISTMAS TREE PROMOTION BOARD BOARD MEETING

March 9-11, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 7:45 am Pacific time by Chairperson, Betty Malone. Board members in attendance: Mark Arkills, Bentley Curry, Cubby Steinhart, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Jim Rockis, Chris Maciborski, Jim Heater, and Betty Malone. USDA Representative in attendance: Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Tim O'Connor reviewed the schedule of agency presentations to take place over next day and a half.

Agency Presentations – Board participated in the following presentations:

March 9

8:00 – 10:00	Exponent
10:45 – 12:45	Division of Labor
1:45 – 3:45	Red Door Interactive
4:30 – 6:30	Nuffer Smith Tucker

March 10

8:00 – 10:00	Concept Farm
10:45 – 12:45	FleishmanHillard

Agency Presentation Discussion – Board engaged in discussion on the agency presentations. Board members evaluated the agencies, their presentations, staff and concepts. Board agreed on top two firms and agreed to wait until reconvening on March 11 to make a final selection.

Additional Agenda Items – No items were added to the agenda.

Meeting Minutes – It was MOVED and SECONDED to approve the February 16 meeting minutes as presented. MOTION APPROVED.

Unfinished Business

Review of “Guideline, Procedure, Standard, Policy” Document – Chairperson Malone reviewed the document outlining the appropriate use of such terms as “Policy” versus “Procedure” and “Guideline”

Staff Reports - Collections, Exemptions, Enforcement – Marsha Gray reported that the current total of collected assessments stands at \$1,415,090.23.

Tim O'Connor reviewed the large amount of data that is produced for the assessment and exemption reporting process.

Tim O'Connor and Marsha Gray presented a plan to follow up with producers who have not yet reported or paid. That plan can commence when USDA approves the penalty and interest provisions. Growers

will be reminded of the requirement to either return their exemption form or pay their assessment in 30 days or be subject to penalty and interest fees.

It was MOVED and SECONDED to direct staff to follow the proposed plan. MOTION APPROVED.

Board requested that staff include number of trees reported and assessments paid in database. Staff will execute that plan. Board also suggested that staff publish a telephone number and staff it for grower inquiries and questions. Staff will investigate and make request of board for additional staffing.

USDA Issues

Penalty and Fees Rulemaking – Vickie Carpenter reported that the proposed rule began a 15 day comment period on March 1, 2016.

Start Up Fees – CTPB is challenging \$32,219.06 of USDA start up charges that were incurred during the period of time that the order was “stayed”.

FOIA Request – Vickie Carpenter reported that CTPB staff supplied all of the requested documents and that USDA will be sending the documents to the FOIA officer for final review before sending to the individual who requested the documents.

Website Repair- Vickie Carpenter contacted the person who handles website updates to correct the name of our board by removing “National” in front of Christmas Tree Promotion Board on the AMS/USDA website.

Updating 2016 payment and exemption forms – Board discussed the possibility of adding some items to the reporting forms next year, including “make checks payable to: CTPB” and places to report acreage in Christmas tree production and clarifying what is “supporting documentation.” If board plans to make changes to forms, that must happen soon giving USDA time to approve.

CTPB Assessment Guidelines Outline – A group of board members read an outline of problems, goals and suggested solutions to the assessment collection process.

Forest Service Christmas Trees – Vickie Carpenter reported that federal regulation defining how funds collected by the US Forest Service can be used precludes the US Forest Service from paying assessments therefore, CTPB will not be able to collect assessment fees on Christmas trees harvested from National Forests.

March 11, 2016

Selection of Advertising Agency – Board members discussed attributes of the top two agencies as identified the previous day; Concept Farm and FleishmanHillard . It was MOVED and SECONDED to take a vote to select the advertising agency. MOTION APPROVED.

Chairperson Betty Malone conducted a vote of the board and the results were conclusive in favor of Concept Farm. Tim O’Connor will notify Concept Farm of their selection as the advertising agency for CTPB’s upcoming promotional campaign. He will also personally contact each of the other five agencies.

National Christmas Tree Association Report – CTPB member, Bentley Curry, also an NCTA board member updated the CTPB on the dire situation facing the NCTA. He reported on the recent reduction of staff and related management fee reduction. NCTA will continue its contract with American Hort for lobbying and issues support.

Conversation with Tom Dull, NCTA President – Tom Dull joined the meeting via phone to address concerns regarding the significant loss of members in NCTA, as well as the severe financial situation faced by NCTA. Dull reported that NCTA's management firm, AMR, has offered them a revised contract at a much reduced rate, however at the expense of losing Rick Dungey, former NCTA Executive Director. Dull indicated that NCTA is very interested in working with CTPB on a variety of projects if CTPB is willing and if terms can be agreed upon. Areas of collaboration could include fire information, the White House Christmas Tree and the media/consumer response during the holiday season. Conversations on all of these topics will continue.

Committee Reports

Governance

Accounting and Internal Control Policy – It was MOVED and SECONDED to suspend the Cash Receipts and Invoicing for Penalty policies in the current CTPB policy book, until the Governance Committee can present a revised policy recommendation when more complete information is available. MOTION APPROVED.

Review public information policy – It was MOVED and SECONDED to begin posting CTPB meeting minutes on the CTPB website beginning with this meeting. MOTION APPROVED.

Nomination Process for Board positions that expire 12/31/16 – Governance Committee Chairperson, Rex Korson, reviewed a procedure that he and Tim O'Connor drafted to execute the upcoming nomination process for board positions that expire on 12/31/16. Governance Committee will present a finalized version of the plan for board consideration at the next conference call.

Research Committee Report – Research Committee chairperson, Jim Rockis, presented the fire related project report submitted by Rick Dungey for NCTA. The proposal is divided into three projects; 1) participation in the National Fire Protection Association conference and trade show 2) Fire code training and 3) a comprehensive fire safety program. Board previously approved \$7,000 for the research committee to help fund participation in the NFPA trade show and directed research committee to move forward with its plans. If additional funds are needed, Research Committee chair will make a request at an upcoming board meeting.

Finance Committee Report

Treasurer, Cubby Steinhart reviewed current financial status of the CTPB. Board requested that the Metropolitan Bank loan/line of credit be paid down to \$1 now that funds are readily available.

Staff has received requests that CTPB accept credit card payments. This could be helpful for Canadian growers who may not have ready access to US funds bank accounts, however there is a cost to process these charges. Finance committee will investigate costs and how this could be managed.

Industry Relations Committee Report

Committee Chairperson, Betty Malone reported that we have received positive feedback when having board members and staff attend state and regional Christmas tree meetings. She thanked Jim Rockis for representing the board at many meetings in the east and encouraged board member participation in upcoming summer meetings. Marsha Gray reviewed a list of upcoming meetings and requests.

Board agreed that it preferred to have three face to face meetings in 2016. The board will meet in conjunction with the Pennsylvania Christmas Tree Growers Association meeting, July 21-23. A date for an additional face to face meeting will be discussed at an upcoming board meeting.

New Business

Reserve Fund – It was MOVED and SECONDED to direct the Governance Committee to investigate doubling the maximum allowable limit of reserve funds from one year to two years of annual expenses. MOTION APPROVED.

Commodity Round Table membership – CTPB has been invited to join the Commodity Roundtable. This is a group of Executive Directors from many of the commodity checkoff programs. The Commodity Roundtable was very helpful in our start up process and Tim O’Connor confirmed that it was a very helpful group. He recommended membership, but possibly joining at a later date to conserve funds.

Election of Board Officers – Nominations Committee Chairperson, Mark Steelhammer recommended the following slate of officers, noting that all agreed to serve; Chairperson – Betty Malone, Vice Chairperson – Jim Heater, Treasurer – Cubby Steinhart, Secretary – Beth Walterscheidt. Chairperson, Betty Malone asked for nominations from the floor. There were none. It was MOVED and SECONDED to close nominations. MOTION APPROVED. It was MOVED and SECONDED to cast a unanimous ballot for the slate of officers presented by the nominations committee. MOTION APPROVED.

Next Conference Call

Next conference call for the CTPB is scheduled for March 22nd, Tuesday, 8 AM Pacific

Adjourn

It was MOVED and SECONDED to adjourn the meeting. MOTION APPROVED.

Respectfully Submitted

Beth Walterscheidt
Secretary