



MINUTES
Administrative Committee Meeting
Wednesday, October 16, 2019
Red Lion Hotel, Pendleton, OR

Chairman Kene Christensen called the meeting to order at 9:03 am.

I. ROLL CALL – Attending were:

Committee Members: Kene Christensen, Chris Van Belle, Matt Sealock, Ryan Ferguson, Chad Neeley (filling in for Member Dave Christensen), Harold McConnell (filling in for member Chris Mio), Caleb St. Hilaire, and Public Member Nancy Boettcher.

Alternate Committee Members: George Colley, Harold Sealock, Jay Castle.

Growers: J.P. Lete, Mark McKay, Kenny Sealock, Arnold Martin, Susan Boisselle, Charlie Boisselle, Kevin D. Boyle, Joseph Kosik, Marvin Wollman, Gary Christensen.

Handlers: Gene Schmitt, Max Amundson, Rodney Jones – Callisons. Elijah Perkins, Jeremy Russell, Marcus Smith, - Norwest Ingredients. John Cheatham – Lebermuth. Lowell Patterson, Phil Dufault, Jason Davila - Labbeemint.

USDA: Barry Broadbent

Administration: Shane Johnson, Kim Hatch, and Nicole Peterson

II. Report on Committee Member and Alternate Nominations

Shane Johnson then gave a report on area nominations. Nominations were as follows:

- District 1, Position 1 – Member: George Colley, Alternate: Craig Gilbert
- District 1, Position 3 – Member: Matt Sealock, Alternate: Harold Sealock
- District 2, Position 5 – Member: Chad Neeley, Alternate: Clay Christensen
- District 3, Position 7 – Member: Kim Mills, Alternate: Faith St. Hilaire

III. Minutes

Minutes from the February 13, 2019 and March 1, 2019 meetings were reviewed by all. Matt Sealock moved and Chad Neeley seconded the motion to accept the minutes of the February 13, 2019 and March 1, 2019 meetings. The motion passed unanimously.

IV. Review and Approval of Current Financial Statements

Shane Johnson reviewed the Statement of Income and Expenses for the period June 1, 2019 through October 11, 2019 (Copy attached). He reported that the income to date totaled \$73,471.51; total expenses to date are \$119,886.32 resulting in net loss of (-\$46,414.81). He also reported that the balance sheet shows assets of \$115,823.01 in various accounts. There were no questions on the financial statements and Harold McConnell made a motion that the financial records be accepted as presented, Chris Van Belle seconded to accept the financial statements. The motion passed unanimously.

Shane Johnson also presented the check detail, February 13, 2019 thru October 11, 2019. Chris Van Belle made a motion that the check detail be accepted as presented, Matt Sealock seconded to accept the check detail as presented. The motion passed unanimously.

V. New Business

Report on Trips

Shane reviewed the trips that were taken on behalf of the Committee. Kene Christensen and Chris Van Belle joined Shane Johnson on the trip to Canada this year. The growers felt that they were having an average to slightly above average year.

Matt Sealock and JP Lete joined Shane on the trip to the Mid-West this year. The group visited the main Native production areas in Indiana and Michigan. Growers were experiencing average, to slightly above average yields.

Review of Statistics:

Shane reviewed the current Far West Spearmint statistics including Import/Export figures.

Consideration of Class 1 (Scotch) Regulations:

Shane reviewed the current Scotch statistics.

Discussion was held on the 2019-2020 Trade Demand. A motion was made by Matt Sealock, seconded by Caleb St. Hilaire to set the 19-20 Trade Demand at 750,000. The motion passed unanimously.

Discussion was held on the 2020-2021 Trade Demand. A motion was made by Matt Sealock, seconded by Chris Van Belle to set the 19-20 Trade Demand at 750,000. The motion passed unanimously.

Subtracting the estimated carry in on June 1, 2020 of 278,971 lbs. from the estimated 2020-2021 trade demand of 750,000 gives an estimated salable quantity needed of 471,029 lbs. Dividing this total by the estimated 2020-2021 allotment base of 2,203,325 gives a computed allotment of 21.3%.

Caleb St. Hilaire moved and Nancy Boettcher seconded the motion to recommend the 2020-2021 salable percentage at 30%. After discussion, the motion the committee felt the percentage was too low. Motion failed with zero yes votes and eight no votes.

Chad Neeley moved and Matt Sealock seconded the motion to recommend the 2020-2021 salable percentage at 45%. The motion failed with four yes votes and four no votes. Those voting in opposition felt that the percentage was too high given the current market conditions.

Chad Neeley moved and Ryan Ferguson seconded the motion to recommend the 2020-2021 salable percentage at 38%. After discussion, the motion passed with seven yes and one no votes. The one opposing vote was Caleb St. Hilaire who felt this percentage was too high.

This results in a Computed Salable Quantity of 838,403 which, when added to the Estimated Carry In of 278,971, results in a Total Supply for the 2020-2021 of 1,117,375 lbs. with an estimated carry-out on May 31, 2021 of 367,375 lbs.

Consideration of Class 3 (Native) Regulations:

Shane reviewed the Native statistics.

Discussion was then held regarding estimated trade demand for the 2019-2020 year. The Committee agreed to use 1,330,000 as the 2019-2020 trade demand. Chris Van Belle moved and Ryan Ferguson seconded the motion to use 1,330,000 pounds as the 2019-2020 trade demand. The motion passed unanimously.

Discussion was held on the 2020-2021 Trade Demand. A motion was made by Matt Sealock, seconded by Chris Van Belle to use 1,347,042 for the 2020-2121 Trade Demand. The motion passed unanimously.

Subtracting the estimated carry in of 274,277 lbs. on 6/1/20 from the estimated 2020-2021 trade demand of 1,347,042 lbs. gives an estimated salable quantity needed of 1,072,765 lbs. Dividing this number by the estimated 2020-2021 allotment base of 2,511,288 gives a computed allotment percentage of 42.7%.

Discussion was held regarding the Recommended Allotment Percentage.

A motion was made by Matt Sealock, seconded by Chad Neeley to set the Recommended Allotment Percentage at 51%. The motion failed with four yes votes and four no votes. Those in opposition felt like the percentage was too high.

A motion was made by Chris Van Belle, and seconded by Matt Sealock to set the Recommended Allotment Percentage at 49%. The motion passed unanimously.

This results in a Computed Salable Quantity of 1,230,531 lbs. which, when added to the Estimated Carry In of 274,277 lbs. results in a Total Supply of 1,504,808 lbs. with an estimated carry out on May 31, 2021 of 157,766 lbs.

VI. Next Meeting: Chairman Kene Christensen set the date for the next meeting for Wednesday, February 19, 2020 to be held in Tri-Cities, Location TDB. *Subsequent to the meeting the date for the next meeting was changed to Wednesday, February 26, 2020.*

VII. Adjournment:

The meeting was adjourned at 11:51 a.m.

Submitted by:

_____ Shane Johnson, Manager

Attested to by:

_____ Committee Member