

OREGON SWEET CHERRY COMMISSION

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COMMITTEE ON ASSESSMENT RATES REVIEW

MEETING MINUTES

Monday, February 12, 2018

Conference Call

The meeting was called to order by Brad Pickering, Chairman at 3:45 p.m. with the following committee members phoning in Ryan Bond, Steve Sandau, Kris Brunner (for Les Stephens), Megan Thompson, Dan Crouse and Administrator, Dana Branson.

The committee was created after the promotion for brined cherries was discontinued and the assessment rate was lowered from \$12.25 to \$6.75, the same as Canned and Frozen, because OSCC would no longer be paying \$5.50 per ton for that promotion. There was a question among the commissioners about how much Washington was collecting for Research on processed cherries. Brad Pickering was appointed to be Chair and agreed to research the subject and provide financial information.

Brad had emailed spreadsheets in advance of the meeting, the first showing a comparison of Oregon and Washington assessment rates for Fresh, Brined, Frozen and Canned cherries. Washington calculates assessments on delivered pounds. Oregon calculates assessments on packed pounds. The Washington calculation was adjusted to packed pounds to make it comparable to Oregon's method of calculating assessments. Oregon pays a slightly higher rate on Fresh cherries – 0.0135 cents per packed pound, Washington pays 0.01313 cents per packed pound. Washington pays a higher rate on processed cherries – 0.0065 cents per packed pound, Oregon 0.003375 cents per packed pound.

The second spreadsheet showed a history of the tons assessments were paid on in Oregon for the past 10 years by category, a comparison of Washington fresh and offline assessments collected and the difference between what was collected and the effect of rate increase.

Ryan Bond explained his opinion that most growers are growing for the Fresh market. Fresh cherries are paying \$9.00 per ton that goes towards Research and Administration costs. He believes all cherries should be assessed at the same rate for Research and Administration because all benefit from those activities.

There was brief discussion regarding changing the way Oregon calculates assessments to be the same as Washington. Kris Brunner stated he didn't think it was necessary to change that calculation, but he didn't

object to Ryan's opinion regarding equalizing the rate paid by all for Research and Administration. Steve Sandau echoed that opinion because a cherry is a cherry. And he also said blueberries are assessed at the same rate for both Fresh and processed so he can see the reasoning.

Megan Thompson moved and Ryan Bond seconded to recommend the assessment rate on Brined, Canned and Frozen cherries be increased from \$6.75 to \$9.00 per ton at the February 15, 2018 meeting. The motion carried unanimously.

The meeting adjourned at 4:11 p.m.