

PENNSYLVANIA APPLE PROGRAM BOARD MEETING
Minutes of the January 26, 2021 Skype Board Meeting

Public notice of the January 26, 2021 Pennsylvania Apple Program Board Meeting was given as stipulated by the Sunshine Law.

CALL TO ORDER

David Peters, Chairman, called the meeting to order at 9:03 a.m. Board members in attendance included Gary Faulkner, Vice Chair; Mark Boyer, Carolyn McQuiston; Thomas Haas; and Ellie Vranich, Treasurer.

Also present: Patrick Andrews, Chief of Marketing Development, PDA; Lindsay Young, Senior Manager, McKonly and Asbury, CPAs; Holly Zarefoss; Laura England, Director, Bureau of Market Development; Char Riley, Liaison PDA and ACMA Boards; and John Howard, Esquire, Chief Counsel.

Cara Laudenslager from Senator Elder Vogel's Office and Sherry Voxakis were also in attendance.

APPROVAL OF MEETING MINUTES

RESOLUTION 2021.1 APPROVAL OF MINUTES

Presented by: Mark Boyer

Seconded by: Ellie Vranich

Passed: Unanimously

To approve the November 12, 2020 meeting minutes.

REVIEW FINANCIALS

Lindsay Young, Senior Manager, McKonly and Asbury, presented before the Board. She referred to financial information in the packet for further discussion of the Pennsylvania Apple Program Profit and Loss Budget vs. Actual statement, July through December of 2020; Balance Sheet as of December 31, 2020; and Apple Assessment Report as of December 31, 2020.

Ms. Young explained that, at the November meeting, the Board decided that the \$26,000 received in assessment income would be all the income it would be receiving for 2019. The budget was downgraded from \$40,000 to \$28,000 to not overshoot that year's assessment income. At the end of December, the income was up to nearly \$50,000. She stated that had the budgeted amount been retained, the Board would be much closer to where it actually landed. There was further discussion regarding the matter.

Ms. Zarefoss noted the last courtesy notice may not have been sent for the last quarter of 2019 and could be the reason for the additional money. Board members had questions and comments.

RESOLUTION 2021.2-APPROVAL OF FINANCIAL REPORT

Presented by: Thomas Haas

Seconded by: Ellie Vranich

Passed: Unanimously

To approve the financial report provided by Ms. Young.

Ellie Vranich, Treasurer, stated, starting in November of 2020, she would be approving the monthly bank reconciliation statements and cross referencing with her own information.

ASSESSMENTS/AUDITS

It was also noted that the Auditor's Office requested additional oversight and Board approval with regard to the AUP procedure that was completed.

RESOLUTION 2021.3-APPROVAL OF AUP PROCEDURE

Presented by: Thomas Haas

Seconded by: Carolyn McQuiston

Passed: Unanimously

To approve the agreed upon procedure dated 12/30/2020.

There was discussion with regard to an updated spreadsheet from Ms. Zarefoss, which was emailed to all Board members.

Mr. Boyer requested, before a meeting, all checks that are currently not entered be entered and a breakdown with regard to fresh and processing be provided yearly. Mr. Andrews responded, until everyone is back in the office setting and there is access to the mail on a regular basis, that may not be possible. He suggested that the checks be recorded at the time they come in, which may help. He suggested going back to 2018, 2019, and 2020 to create a trail of how the money came in, which could help with income projections. There were further comments regarding the matter.

Mr. Andrews discussed the use of orchard surveys and asked for feedback from Board members. Mr. Boyer indicated, from 2015 to 2019, the five-year average would be 9.4 million bushels, which made more sense than 7.6 that was the last one. He clarified that the average times .009 that U.S. Apple assesses per bushel, only \$84,872 should have been paid. There was an overpayment of \$25,527. Mr. Boyer wondered whether PA bushels should be more

accurately represented, or does U.S. Apple need to change the assessment rate? Or should there be some other way to come up with \$100,000 worth of assessment income. There was further discussion regarding the matter.

The meeting was continued due to a prior commitment of Mr. Peters.

There being no further business, the meeting was adjourned at 10:31 a.m.

The meeting was tentatively scheduled to reconvene on Monday, February 1, 2021 at 10:00 a.m.

Respectfully Submitted:

A handwritten signature in cursive script, appearing to read "Patrick Troy", is written over a horizontal line.

Patrick Troy

January 26, 2021