

**NEW ZEALAND ASPARAGUS COUNCIL ANNUAL GENERAL MEETING 2017
MINUTES**

Date:	12 July 2017
Time:	1pm
Place:	ASB Baypark Arena, Mt Maunganui

Attendees:	The AGM was attended by the Executive Committee, the CEO of HortNZ, and approximately 16 other attendees, including growers and other industry participants.
Apologies:	Peter Falloon Geoff Lewis Richard Hogg Alec Boyd Tony Warner Colin Peterson George and Diana Turney
Proxies:	Four proxies, undirected, held by Tony Rickman One proxy, undirected, held by Sam Rainey One proxy, undirected, held by Cam Lewis Five proxies, undirected, held by Lindsay Kay

WELCOME AND INTRODUCTIONS

NZAC Chairman, Tony Rickman, welcomed members and guests to the AGM of the New Zealand Asparagus Council and declared the meeting open. He noted the low turnout which may have been exacerbated by the adverse weather conditions across the country. As a result, the AGM did not meet quorum so any motions passed would need to be ratified at a later date.

APOLOGIES

MOVED (CHAIRMAN/ S RAINEY) "That the apologies be accepted."

ACCEPTANCE OF MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

MOVED (M ARNOLD/ C LEWIS) "That the minutes of the 2016 AGM of New Zealand Asparagus Council, held on 12 August 2016 be taken as read and confirmed as a true and correct record of that meeting."

MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS AGM

L Kay proposed that a portion of the retained allocated funds be put towards the proposed nutrient footprinting project.

CHAIRMAN'S REPORT

The Chairman welcomed everyone to the AGM and thanked them for their efforts in attending considering the weather affecting many areas of the country especially the North Island. He noted that Mt Maunganui was an unusual location for the NZAC AGM but reflected feedback from members that they would like to experience the HortNZ Conference and also feedback that the AGM be held earlier than previous years when it had been held in August.

The Chairman thanked the Executive Officer and the Committee for providing their own time at their own expense to keep the Council moving along.

The Council has gone through change over the last 12 months. Good headway has been made with MPI and Japan MHLW towards the removal of DRAP through the instigation of a new testing regime which has demonstrated record compliance levels from industry. Positive feedback from MPI suggests that DRAP will be in place for the coming season and then may be removed.

Stemphylium research has been progressing, but issues with Japan MHLW and the classification of the streams of Stemphylium have stalled this work. Domestically NZAC is in the process of engaging a student to carry out a literature review of cultural practices for Stemphylium control to be made available to NZAC members as a resource.

European variety trials in Waikato may be of interest, and these results should be available in the next 12 months.

On the horizon is nutrient footprinting. Regional Councils around the country are imposing controls in relation to nutrient application. The Council would like to come up with a footprinting model that can be applied to the whole country. As a perennial crop, there isn't a template for asparagus in the existing frameworks.

Finally the Executive feels that the Council is overdue for an overhaul of the Constitution which is outdated and unwieldy, as evidenced by the inability to meet quorum of 15 when our membership base is decreasing. NZAC will be taking advice on this.

As this is a levy year, the process is at this point to get consensus or to look at alternative models.

In closing, the chairman wished all present a good season for the coming year.

MOVED (B MCGOWAN / T COONEY) "That the Chairman's Report for the financial year ending 31 March 2017 be adopted."

FINANCIAL STATEMENTS

The Executive Officer presented the audited Financial Statements for the year ended 31 March 2017: The overall financial performance of NZAC was stable with audit and operational costs down. The organisation remained in a reasonably strong financial position with accumulated funds of \$105,510.

MOVED (S RAINEY / M ARNOLD) "That the audited financial statements for the year ended 31 March 2017 be approved."

Remit: that the Levy rate for 2017/18 season be set at \$120.

A remit put forward by Waikato Asparagus Growers Association proposed increasing the levy rate for the 2017/18 season by \$20 per planted hectare to \$120 per planted hectare. This increase would allow NZAC to continue its proposed activity in Stemphylium and nutrient footprinting despite facing steadily decreasing levy income due to decreasing planted hectares across the industry.

After discussion of the pros and cons of this increase, it was

MOVED (B MCGOWAN / S RAINEY) "That the levy rate for 2017/18 be increased to \$120 per planted hectare"

Six votes against

BUDGET FOR 2016/2017

The Executive Officer presented the proposed Budget which is based off historic expenses with a reduction in accounting and audit fees and accounting for the increase in levy.

- The Budget shows a modest decrease in anticipated income from levy. This is a smaller decrease than if the levy rate increase proposal had not been passed.
- The costs for the Conference are drastically reduced thanks to savings made by holding it in conjunction with HortNZ
- Accounting costs are reduced as this is provided inhouse by HortNZ.

MOVED (M ARNOLD / C LEWIS) "That the Budget for the year ended 31 March 2017 be endorsed."

AUDITOR

HortNZ went to tender to find new auditing firms to undertake the annual audits of HortNZ and the product groups who contract their audit through HortNZ. BDO Wellington are a smaller firm who as part of the contract offer a 10% price reduction if the audit is not delivered on time. BDO provided a thorough and efficient audit for NZAC.

MOVED (S RAINEY / B MCGOWAN) "That BDO Wellington be appointed auditors for the year ended 31 March 2018."

COMMODITY LEVY

Mike Chapman outlined the options open to NZAC with the renewal of the Commodity Levy due in 2018, with a vote to be held in September/October 2017.

NZAC can either request to join Vegetables NZ Inc or pursue the Commodity Levy.

- Joining VNZI would allow for continued administration through HortNZ at potentially lower cost (shared admin resource), increase in compliance in the industry as represented by VNZI, and levy at first point of sale removed the administration of BCTIs.
- Joining VNZI may prove cheaper over all as calculation is based on Yield (kg / hectare) x Rate (average\$ at first point of sale) x Levy Rate
- Reapplying for commodity levy would maintain the independence reflecting the difference between the asparagus industry and other vegetable groups.
- In reapplying for the commodity levy the Council would need to increase levy in order to fund core and expanded activity. As the number of declared planted hectares reduces, levy needs to increase to fund activity.

Mike Chapman advised that the members of NZAC would need to work out what the goals are to be achieved through the levy, focusing on key goals which add value to the industry.

Discussion was had as to what are considered priorities for NZAC. This included marketing and communication, focusing on domestic as well as the export market. There are product groups whose

marketing efforts can be emulated, including buttercup squash, kiwifruit and tamarillos. Other suggestions for activity included technology to reduce on-farm costs for asparagus growers.

It was decided that a proposal would need to be put together for the members of NZAC to vote on.

EXECUTIVE COMMITTEE

That the Executive Committee for 2017 be as follows:

- Tony Rickman (Chair) - Waikato
- Lindsay Kay – Hawkes Bay
- Sam Rainey - SWNI
- Mike Arnold – South Island
- Tom Cooney – Post-harvest representative (export)
- Marcus Turner – Post-harvest representative (domestic)
- Andrew Body – Post-harvest representative (domestic)

MOVED (B MCGOWAN / S RAINEY) “That the above be the Executive Committee for the 2017/18 year”

GENERAL BUSINESS

- **Nutrient footprinting project**

Angela Halliday, Manager, Natural Resources & Environment at HortNZ, provided background information on the proposed nutrient footprinting project and the likely shape of the project. This has come as a result of increased requirements for landowners to provide nitrogen leaching rates for their land when requesting Land Use Changes. It is occurring in Waikato and will occur around the rest of the country. There is no model for asparagus as a perennial crop so there is no data on asparagus leaching rates, hence the need for NZAC and HortNZ to commission some work. There are two proposed approaches: the cheaper of the two is less scientifically robust and works out a mass balance. The second option runs through an APSIM model and while more rigorous is significantly more expensive. After outlining the two proposals it was agreed to pursue the first proposal with the option to extend to the second proposal if the nitrogen leaching results are significant. HortNZ have indicated that they would cost share with NZAC 50/50. WAGA has indicated support for this project to the sum of \$2500.

CLOSE

The Chairman closed the meeting and thanked the attendees for their input. As quorum was not met, the motions posed at the AGM will need to be ratified by the members of NZAC.

Meeting closed at 1.20pm.

ACTIONS

- Eve to arrange for a Special General Meeting of NZAC to ratify the motions of the AGM.
- Eve and Executive to draft Commodity Levy Ballot Paper to present to MPI at the end of July
- Executive to take advice on amending the Constitution.