



**MINUTES OF THE HORTICULTURE NEW ZEALAND INC  
13<sup>TH</sup> ANNUAL GENERAL MEETING  
HELD AT AIR FORCE MUSEUM, CHRISTCHURCH  
ON TUESDAY 24 July 2018 AT 4.00 P.M.**

**Present:** Julian Raine President/Chair  
Tony Howey Vice-President  
John Cook  
David Kelly  
Barry O'Neil  
Leon Stallard  
Mike Smith  
Hugh Ritchie  
Approximately 150 growers and other industry participants

**Apologies:** Bruce Wills

**In Attendance:** Mike Chapman CEO  
Kerry Norman Board Secretary

**1 WELCOME FROM PRESIDENT**

HortNZ President and Chair, Julian Raine, welcomed members, guests and staff to the 13<sup>th</sup> AGM of Horticulture New Zealand and declared the meeting open.

The Chair acknowledged HortNZ's life members and chairs of the various product groups and grower associations that were present. He also welcomed Bernadine Guilleux to the HortNZ Board.

The HortNZ Directors were introduced.

**2 APOLOGIES**

Apologies were received from:

Bruce Wills  
Andrew Kinninmonth  
John Paynter  
Brent Wilcox  
Kevin Wilcox

**RESOLVED (BARRY O'NEIL/LEON STALLARD)**

**"THAT the apologies be sustained."**

### 3 VOTING AND PROXIES

Members noted that 57 proxies had been received (both directed and undirected), allocated to:

President/Chair	45
Mike Smith	1
Doug Nilsson	1
Anton Boeyen	1
Bernadine Guilleux	9

Three proxies were invalid.

All other members holding proxies were present and voting cards for undirected proxies were distributed.

### 4 OBITUARIES

One minute's silence was observed in remembrance of:

- Rob E McLeod
- Mike Muller
- Yin Young
- Mr. F Boyd
- John Tollemache
- Jeffrey Wilson
- Brian Dalzell
- MA Palmer
- Ashby Crombie
- Ranchod Makan
- Don Morrow
- Yem Lim
- Audrey Harrison
- John Nicholson
- Jim Gray

### 5 MINUTES OF 12TH AGM

Jen Scoular asked that it be noted that under item 13 a) the diversity policy was not developed until after the AGM discussion.

#### **RESOLVED (JOHN COOK/ANDREW FENTON)**

**"THAT the minutes of the 12th AGM of Horticulture New Zealand, held on 12 July 2017, as amended be taken as read and confirmed as a true and correct record of that meeting."**

### 6 PRESIDENT & CEO'S REPORT

The President referred members to the President's and CEO's reports from the Annual Report and highlighted following the key points:

- The Change of government had impacted on a number of key issues including water tax.

- HortNZ is well aligned with government on a number of areas: Country of Origin Labelling – succeeded in getting it through its first reading.
- The President noted while there is a focus on the Pukekohe area HortNZ is also focused on all other regions for the protection of elite soils.
- HortNZ has refined its vision. The President congratulated the board for their work on this vision which helps Horticulture to tell its story better.
- The President acknowledged Chief Executive Mike Chapman and the HortNZ staff for the sterling effort that they have undertaken during the year. He noted it had been a very successful year.
- The President also thanked the board for their help, tenacity, thinking and hard work.

The Chief Executive then outlined the operational work of Horticulture New Zealand in 2017/2018.

#### **RESOLVED (JOHN BOURKE/ALISTER MCLEOD)**

**“THAT the President’s & CEO’s Report for the financial year ending 31 March 2018, as published in the Annual Report, be taken as read and adopted.”**

#### **7 FINANCIAL STATEMENTS**

The CEO presented the audited Financial Statements for the year ended 31 March 2018 and explained the variances as follows:

- The Auditors reported nothing exceptional. The CEO noted the Project Funding Managed line has been expressed differently from previous years in the report. This was a request by the Auditors. HortNZ is an effective caretaker of these funds with no control over this money.
- The special project costs was for work by NZIER on the tax working group submission. This work was done in collaboration with Federated Farmers and these costs were shared.

#### **RESOLVED (TONY HOWEY/HUGH RITCHIE)**

**“THAT the audited financial statements for the year ended 31 March 2018 be adopted.”**

#### **8 LEVY RATE**

Members noted that HortNZ’s levy rate is required to be set each year. The Board had reviewed the financial position of HortNZ, and its on-going commitments and was therefore recommending that the levy rate remain at 0.14%.

The Chief Executive outlined what the levy funding was used for.

It was noted that HortNZ had hired specific staff to deal with environmental issues to work in the regions and expanded its Biosecurity staff in number and expertise.

There was a question from the floor as to whether HortNZ would fund District Associations to do travel and work in the regions, much of which was done on a voluntary basis with costs being met by these volunteers.

The President noted that the horticulture industry is a collaborative industry where we try and do things that are effective and cost friendly. There is an expectation that people

will put their hands up and volunteer. The President advised that there is money set aside in the budget - at the request of members - to pay costs incurred by District Associations when supporting HortNZ's work in the regions. This amount excludes paying growers an hourly rate.

**RESOLVED (HUGH MOORE / STEWART WRIGHT))**

**"That the 2019-year levy rate for the purposes of the Commodity Levies (Vegetables and Fruit) Order 2013 be set for vegetables and fruit at 0.14% of the gross sales value calculated from the value at the first point of sale OR the FOB value OR the notional process value."**

**9 DIRECTOR REMUNERATION**

The President invited John Bourke, Chair of the Independent Director Remuneration Committee to speak to the Committee's recommendation.

John Bourke acknowledged the Board and what it had achieved as outlined by the Chief Executive and President. He noted while some Primary Industry groups were slipping sideways or backwards, Horticulture was gaining traction and moving forward. It was noted that in 2019 there will be a formal remuneration review. Terms of reference are being developed for this review.

**RESOLVED (JOHN BOURKE/ALAN NOBLE)**

**"THAT Directors' remuneration be increased by 1.1 percent, in line with the CPI inflation rate taking effect from 1 April 2018."**

**10 2018/2019 BUDGET**

The CEO presented the 2018/2019 Budget which had been pre-circulated to members.

Members noted that the budget had been based on HortNZ's performance over the past year.

HortNZ was forecasting income of \$6,413,284 (\$4.6m - 72% levy income, reflecting growth in the industry) and expenditure of \$6,406,912.

Overall HortNZ was estimating a modest surplus of \$6,372.

**RESOLVED (GEOFF LEWIS/ALISTER MCLEOD)**

**'That the Budget for the year ending 31 March 2019 be endorsed.'**

**11 APPOINTMENT OF AUDITOR**

The Chief Executive noted this was the second year with BDO as the auditors to Horticulture New Zealand and looked to reappoint them for a third year.

**RESOLVED (TONY HOWEY/JEN SCOLAR)**

**"That BDO Wellington Incorporated, be appointed auditors for the year ended 31 March 2019."**

## 12 HORTICULTURE NEW ZEALAND RESERVES POLICY

The CEO presented the Reserves Policy which was made available to members ahead of the meeting. The Reserves Policy is to set the level of reserves that HortNZ requires to sustain the organisation in time of crisis.

Steven Darling questioned the cap figure. The Chief Executive responded that this cap will be determined by the HortNZ board and come under AGM scrutiny but he would recommend, in line with the policy, a reserve of \$3.4m be held so Horticulture New Zealand could operate for one year during a crisis.

### **RESOLVED (HUGH MOORE/GEOFF LEWIS)**

**“That the Horticulture New Zealand Reserves Policy be approved.”**

## 13 GENERAL BUSINESS

### **a) Associate Director**

The Chief Executive drew members attention to the AGM paper on an Associate Director and outlined the vision for this position with a focus on mentoring and training. The Board saw this position as a way to encourage people in to board-type positions. This position will be advertised through newsletters and the board will be asked to interview and appoint.

### **b) Diversity Policy**

The President drew members attention to the policy in the AGM papers. The chair welcomed discussion.

Jen Scoular noted that the policy had been shared with women in horticulture from the Bay of Plenty region. She said the group felt the policy focussed on employees of HortNZ, but the group felt there should be more focus on how we make a representative board actually representative of its members. Jen asked what is the board's vision to where we as an industry are heading and how is HortNZ board proactive in encouraging better gender equality on the board?

The President told the meeting the journey starts with one step. The Board accepted it needed to do more in this area and it is working on it. The President added that the Board had already been active in this area and testament to that was to see three women come forward for the elections. The President noted that the Board would hope to encourage more diversity over time.

### **c) Life member**

The Chair acknowledged Earnscy Weaver who has been awarded life membership for HortNZ. Earnscy Weaver will be presented with his award at a future date as he is currently overseas.

## 14 ACKNOWLEDGEMENT OF JOHN COOK

HortNZ's President acknowledged John Cook for his service to HortNZ as a Director. The President noted John had been a leading light within the Kiwifruit industry and was a diligent member of the board with a strong focus on financial performance. The President presented a gift to John and his wife Jenny.

John thanked Horticulture New Zealand and the Board. He had enjoyed working with and meeting growers across New Zealand and was proud to be passing the baton on to Bernadine Guilleux. He acknowledged Julian's provocation that Horticulture would be bigger than dairy and had seen evidence in his time as Director that this may be the case in the future.

**15 CLOSING**

The Chair thanked members for their attendance and input. He thanked his fellow Directors and the staff of HortNZ.

The meeting closed 5.05pm.

Read, approved as a true and correct record

This day of July 2019

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