



Soil & Health Association of New Zealand 2023 Annual General Meeting 10.00am, 7 October 2023, by Zoom

Draft Minutes

Chairperson: Jenny Lux
Returning Officer: Meghan Read
Assistant Returning Officer: Philippa Jamieson
Minute Taker: Liz Fenwick

1. Welcome & Notice of General Business

Jenny Lux opened the meeting and welcomed members to the 2023 AGM. Jenny noted the process and housekeeping for conducting the meeting on Zoom.

2. Acceptance of Agenda

Jenny asked whether there were any items of general business the meeting would like to raise. There were no additional items of general business raised.

Jenny proposed the motion that the agenda be accepted by the meeting. Seconded by Rebecka Keeling.

Decision: The agenda was accepted by the meeting.

3. Attendance and Apologies

In attendance (by Zoom): Jenny Lux, Marion Wood, Charles Hyland, Barbara Collis, Kaitlyn Lamb, Rebecka Keeling, Philippa Jamieson, Claire Bleakley, Marion Thomson, Peter Davis, Anna Waterhouse, Pualele Westhead, Findal Proebst, Joseph Stuart, Claire Flynn, Dave and Gillian Woods, Dee Pigneguy, Brendon Hoare, Alison White, Matt Morris, Joanne and Greg Turner, Monique Bartosh, Sheryn Dean, Scott Walters, Steffan Browning, Jenny Cochrane, Tiffany Tompkins, Zane Brown, Anna Waterhouse, Meghan Read, Liz Fenwick (minute taker)

Apologies recorded: James Drury, David White, Frank Ladd, Amy Kennedy, Emma Wilson, Bob Crowder, Trish Allen

4. Confirmation of the Minutes of the 2022 AGM

Jenny proposed that the 2022 AGM Minutes be confirmed. Seconded by Matt Morris.

Decision: The Minutes from the 2022 AGM were confirmed as a true and accurate record.

5. Introduction of voting for the National Council Election

Jenny outlined the voting process and introduced Meghan Read as the Returning Officer and Philippa Jamieson as the Assistant Returning Officer. Three nominations have been received for five places available on the National Council. Online votes have been recorded by Meghan.

The constitution requires a secret ballot. To ensure anonymity on Zoom, members were advised that only objections would be recorded during the meeting and that members could raise an objection by contacting Meghan directly. Phillipa will double check the vote count and Meghan will announce the results.

6. Nominees address to members

Jenny introduced the nominees – Rebecka Keeling, Kaitlyn Lamb, and herself. Each member addressed the meeting for three minutes. Jenny invited questions of the nominees.

There was a question about whether the nominees had any additional skills they could bring to National Council that they hadn't already mentioned – particularly in governance or financial oversight. The nominees outlined their additional skills in these areas.

No other questions of nominees were received.

There was a question about whether the meeting will be addressing the fact there were insufficient nominations.

Jenny noted that the constitution does not allow for nominations from the floor. However, it does allow for National Council to appoint members when they next meet. She invited people to put their names forward.

Vote Count: Meghan confirmed that more than 50% of votes were in favour of each nominee.

Decision: Jenny Lux, Kaitlyn Lamb and Rebecka Keeling were elected to the National Council.

Marion Wood asked if the meeting could allow time to see if there were any expressions of interest in standing for National Council.

Matt Morris indicated that he is interested in joining National Council again. Jenny thanked Matt for putting his name forward.

Sheryn Dean also indicated her interest in joining National Council. She acknowledged that it is up to National Council to decide whether this would be a conflict of interest given her role as Editor of *OrganicNZ* magazine.

Jenny thanked Sheryn for her offer. She noted that prior to the meeting, Brendan Hoare also offered to assist National Council with future planning ideas to support Soil & Health to continue to deliver on its purpose. Jenny noted that Brendan has offered to come to the in-person strategy hui at the end of October.

Jenny noted that the incoming National Council will make decisions on those who had expressed an interest in joining National Council.

7. Chairs' Report

Jenny and Marion prepared a joint report for the AGM.

Marion read her part of the report to the meeting. She noted that the Organic Products and Production Act was passed in April. She acknowledged the work of Jenny Lux and Donald Nordeng (BioGro) in representing, and advocating for, the organic sector throughout the process.

Marion acknowledged the success of the 2023 Organic Awards and the work of Barbara Collis in drafting the revised constitution. She outlined the challenges being faced by OrganicNZ magazine and the organic sector as a whole. The magazine is facing higher costs which have resulted in an operational loss of \$51,827 for Soil & Health, and BioGro recorded an operational loss for the year of \$286,922.

Marion outlined the changes in staffing over the last year, including the appointment of a new Editor, Sheryn Dean, and the resignation of Pete Huggins as General Manager. Marion acknowledged Pete's contribution, and the expertise and energy Sheryn brought to the Editor role. Marion also acknowledged Jenny as incoming Chair and in particular her work in GE advocacy and appointing new staff and contractors.

Marion noted that the finances cannot support the continuation of the print magazine and the difficult decision National Council had recently made to cease publication of the print magazine and move to an online newsletter.

Marion thanked Soil & Health members for contributing their time and energy, and for their continued support.

Jenny read her part of the report to the meeting.

She noted that magazine retail sales and subscriptions were down 10% so far this financial year. Donations to the GE Appeal have been generous but modest so far. General donations from member are down by more than 50%. Companies are cutting advertising from their budgets to save money. There are significant accounting costs associated with owning BioGro.

Jenny noted her concern that she does not have a full National Council, and the need for people with financial and fundraising expertise. She urged people with the right skills to approach the next National Council.

The current National Council has been discussing the digital publication of OrganicNZ and considers there could be some advantages to it.

Jenny concluded with an invitation to get involved and be part of the movement that upholds the importance of healthy soil, healthy food, and healthy people.

Jenny proposed that the meeting accept the Chairs' report.

Sheryn responded to the Chairs' report. She noted that the magazine industry is in decline, at around 6.4% on average. Some competing titles have had to stop publishing in recent years. A lot of work has been put into streamlining processes, putting in new systems and hiring a new team. She

noted that the team are focussing on its target market of grassroots organic people. Sheryn commented that will take at least 18 months to see the full impact of the changes. She noted that costs have been trimmed and that the biggest cost is staff. Taking the publication digital will only save the print and publication costs.

Sheryn invited questions from members.

A concern was raised about a drop-off in membership if people do not receive a magazine with their subscription. It was suggested that the magazine be offered to members but not retailers.

Jenny commented that during recent meetings it was decided that even on a smaller print run, the cost of printing would be too high.

Sheryn commented that the biggest cost of publishing is getting the publication ready and printing it. A reduced print run (no retail sales) would save \$2,000 per issue. Production costs are \$100,000 per three issues so the savings would be small in the scheme of things. Since the magazine is already being produced, the retail market is profitable.

There was a question about how many BioGro members buy the magazine and whether they are members of Soil & Health.

Jenny read Marion Wood's comment in the chat to the meeting: BioGro normally supports Soil & Health financially and has done so until last year.

Jenny commented that there are numerous factors pushing against the production of the magazine, particularly advertising sales.

Phillippa commented that a member has verbally offered to underwrite the magazine to the value of \$50,000. Phillippa agrees that sponsorships are needed, particularly from trusts including philanthropic trusts.

Jenny acknowledged the financial offer from the member mentioned by Phillipa. It is something to be considered by the future National Council.

There was a comment that the magazine is the Association to a lot of people – can the decision be re-framed as a pause with an intention to continue in the future?

Jenny commented that notice has already been given to contractors but there is potential to re-negotiate contracts if a way to continue publishing the magazine was found. She noted, in response to the earlier question, that it is not known how many BioGro members buy the magazine.

Marion Wood questioned whether it is useful for a volunteer group to be making the decisions about a magazine business. She noted that campaign and advocacy work has been put on the back burner to focus on the magazine, and that 80% of staff time in office goes on the magazine.

Jenny commented that the cost of overheads to run the office each year is \$100,000. There are significant ongoing costs that need to be factored in.

A member commented that he did not want to see the Association fade into politeness and that it needs to remain strident. He asked how many more magazines could be published using existing funds.

Jenny responded that funds will only enable one more magazine to be published (the November/December issue).

Charles Hyland expressed thanks to everyone who has worked on the magazine. He commented that there have been different forms of media for the magazine over the years which were appropriate to the moment in time. He commented that as difficult as it is, this era could be the start of Soil & Health becoming more relevant.

Jenny commented that Brendan Hoare had proposed a new motion in the chat, and she read the motion to the meeting: Soil & Health National Council reconsider its position on the publication after the strategic planning session at the end of October.
Seconded by Phillipa. Twenty in favour.

Decision: Soil & Health National council will reconsider its position on the publication after the strategic planning session at the end of October.

A member suggested that the financial situation be widely publicised and a request for funds put out to keep the publication going. This could be discussed at the October hui.

Jenny noted that Marion Wood is stepping down from Soil & Health after the AGM. Marion has been Chair of Soil & Health for four years and has donated a huge amount of time to the organisation. Jenny thanked Marion for the significant role she has played.

8. BioGro Report

Joseph Stuart provided a verbal report to the meeting.

It has been a challenging year for BioGro. Covid had a significant impact on license numbers. There have been withdrawals across all sectors of the business. The impact of Covid was compounded by the fact that BioGro had grown in recent years. The level of the loss came as a shock to the Board. The Board has made some hard decisions recently and BioGro is now tracking above expectations for its budget this year. BioGro will not be in a loss position moving forward.

BioGro is working through a process to strengthen collaboration with Soil & Health. The magazine is publicised to licensees, but they cannot dictate that they be members of Soil & Health. BioGro is working with OANZ to implement the new Organic Act. When it comes into effect the marketplace for organic certification will become more competitive.

BioGro have been looking at how to get new licensees and to keep existing ones happy. New technology platforms are being used and new extra time charges have been brought in which are bringing in more revenue than expected.

Joseph invited questions from members.

A member asked if BioGro is forecasting a better result next year and therefore a dividend back to Soil & Health. Joseph responded that BioGro is tracking above budget. Some levers have already been pulled and they have tightened their belts. He expects a profit of between \$10,000 and \$50,000 this financial year. One third of this will go to Soil & Health.

There was a question about whether this year's liability to Soil & Health is an aberration. Joseph responded that the impairment value was a shock. He commented that the two businesses work independently. They produce group accounts but trade as different businesses. If BioGro makes another loss of the same size this year they would be insolvent.

Jenny explained that because Biogro is wholly owned by Soil & Health they are part of a charitable group together. The group is in the second highest band for reporting purposes (Tier 2). This results in significant accounting and audit costs. Soil & Health have set an expectation that BioGro will pay Soil & Health one third of its profit, or \$30,000 per year (whichever is highest).

There was a question about Joseph's level of confidence in BioGro following the introduction of the new Organic Act. Joseph responded that he is very confident that BioGro will play a role in organic certification going forward. He expects the market will open up for other players to come in. He commented that in some respect the financial shock has been useful – they have made some hard decisions which are now in play.

9. Acceptance of the financial statements

Jenny called for any questions on the financial statements. No questions were received.

Jenny put forward the motion that the meeting accept the financial statements. Seconded by Barbara Collis.

Decision: The financial statements were accepted.

10. Remits

Barbara spoke to the remit to adopt the revised constitution. She noted that the draft constitution has been with the membership for feedback for some time and that it complies with the new Incorporated Societies Act 2022.

Barbara proposed that the membership vote on the remit. Seconded by Marion Wood.

There was a question about whether it would be prudent to seek legal advice to be sure the draft constitution meets the new requirements. Barbara responded that she is a lawyer and has also discussed it with another lawyer. She is confident it meets the requirements of the new Act.

There was a question about why the common seal is still in the constitution, and whether it has been abolished. Barbara responded that the common seal is still in the Act.

Barbara commented that if the constitution is passed by members it will be called the 2023 constitution (it was first proposed to the membership in 2022).

There was a question about whether Treaty commitments should be included in the constitution. Barbara responded that this had been discussed by National Council. It was decided that because the constitution has broad embracing principles which covered everybody, there was no necessity to specifically acknowledge tangata whenua.

A member commented that if anyone wanted changes it would be better to pass the constitution now and raise it as an amendment to the constitution next year.

A vote was held on the motion to adopt the draft constitution. 19 members were in favour, in addition to six members who voted online ahead of the meeting. A total of 25 members from 32 voted in favour of adopting the draft constitution.

Decision: The draft constitution was adopted.

11. Branch reports

There were no formal branch reports.

Zane Brown commented that over the last 3-4 years he has been digitally recording the field trips and speakers on behalf of the Auckland branch. He acknowledged the significant amount of volunteer time required to do this. Zane noted his support for a digital platform but wanted members to be aware of the significant volunteer time required.

12. General Business

Jenny proposed the motion that members ratify Brendan Hoare's nomination as an Honorary Life Member of the Association, as agreed by the National Council. Seconded by Barbara.

Jenny noted that the original nomination for Brendan's life membership came from Philippa Jamieson and Marion Thomson, and invited them to speak to their nomination.

Philippa and Marion spoke to their nomination, applauding Brendan for the time he has put into Soil & Health and the organic sector in general.

The motion to ratify the decision of National Council was carried and Brendan Hoare was confirmed as an honorary life member of Soil & Health.

13. Close of Meeting

Jenny thanked the meeting for their attendance and for supporting Soil & Health. She then closed the meeting at 12.08pm.