



AUSTRALIAN ALPACA ASSOCIATION Ltd (AAA)

Minutes of the Board Meeting

26 July 2019

95 Northbourne Ave TURNER ACT 2612

1. CONVENING OF MEETING

AAA President Ian Frith declared the meeting open at 7.50am on Friday 26 July 2019.

1.1. PRESENT: Ian Frith (IF), Sue Harris (SH), Steve O’Keefe (SOK), Ian Preuss (IP), Trevor Parry (TP) Sharon Dawson (SD)

IN ATTENDANCE: Amanda Olthof (AO)

1.2. APOLOGIES: Andrew Hulme (AH). Note that proxy was received.

1.3. REGISTER OF DECLARATION OF INTEREST – It was noted by the President that this Register was to be used by directors for any listed agenda items or anomalies that arise during the meeting where an interest needs to be declared.

1.4. WORK HEALTH AND SAFETY WHS will be a standing item at Board meetings and also at Regional meetings. Long working hours of staff were noted.

2. CONFIRMATION OF PREVIOUS MINUTES

Minutes of the AAA Board meeting held 1 June 2019 as circulated were considered and minor amendment made.

Minutes of AAA Board teleconference 14 June 2019 as circulated were considered.

B19/M57 The Board **RESOLVED** to confirm the Minutes of the AAA Board meeting 1 June 2019 and teleconference held 14 June 2019 as a true and correct record

3. MATTERS ARISING

Action items discussed.

B19M51 – SJC to clarify the judge allocation process

B19M48 – to be amended to “no further *meal or incidental* expenses to be paid”

SOK reported that the VCR committee rejected the use of “Victoria Region” and wished to remain as Victoria Central region. Victoria Western Region committee were comfortable with either name. The newly combined region’s name was confirmed as “Victoria Central Region”

4. EXECUTIVE UPDATE

4.1. PRESIDENT’S UPDATE – Ian Frith

Written report presented and discussed.

For the months of May and June, the AAA ran a “build the herd sale” through eAlpaca, giving a 20% discount on all new registrations. 1661 new animals were registered, raising \$23,282.

IF reported on the huge response from members to the calls to repair the toxic behaviour in the Association, and the requirement for a path forward to an improved culture for the benefit of all members and stakeholders.



The Chinese trade visit in May has been met with enthusiasm by members supportive of the AAA Strategy. Further interest has been expressed from Sri Lanka, Malaysia and Emirate for both fibre and animals. AusTrade has granted the AAA an Approved Body status for five years, with effect from 01/07/2017 to 30/06/2022 for international promotion of the Australian alpaca industry. The AAA received an Export Market Development Grant (EMDG) grant under this scheme to contribute to the costs of the Chinese fibre export activities.

The AAA will be hosting a delegation from Peru in February 2020 who will be attending the Canberra Show and are interested in learning about the Australian improvements in genetics, fibre and shearing practices.

The Judge's intake was very successful, and the second weekend will be held in September in South Australia.

Biosecurity Working group has had its first teleconference to look at review of QAlpaca and ways of moving forward with practical solutions at a minimal cost to members. NLIS has been progressing with the Integrity Systems Company and there has been approval for an additional alpaca tag trial – look out for a call for expressions of interest for breeders interested in being involved.

The Australian Standards for the Export of Livestock (ASEL) are under review. The AAA CEO sits on the Technical Advisory Committee and the AAA provided a submission to the first tranche of the review.

Q Fever testing has been progressing and the researchers are obtaining the known positive alpaca sera after vaccinating with QVax. They are 4 weeks into the serum collection phase following on from the pre-testing and vaccination process, and we still have a few more weeks to go. The sera obtained from the alpaca trial are already positive on the IFAT (immunofluorescent antibody test). The ELISA test lacks the sensitivity of the IFAT, so some further testing is required. The take home message is that tests developed for one species (or a group of species) do need to be properly optimised and validated before use in a new species. The researchers will be attempting to adapt the ruminant ELISA (IDEXX) for valid use in alpacas by using an alpaca specific conjugate.

B19/M58 The Board **RESOLVED** that the President's report be accepted.

4.2. CEO UPDATE – Amanda Olthof

Written report presented and discussed.

The new website was demonstrated and discussed. Aim is to launch the new website at the National Show. Regional issues regarding the website were discussed. Regional governance requirements were discussed. The role of a regional committee is to oversee the region and implement company policy. The Board strongly believes in the importance of keeping a consistent and cohesive brand image across all AAA regions.

B19/M59 The Board **RESOLVED** that while it has not yet made it mandatory to have a regional website that sits on the company domain, the IP of the company (including the AAA Logo) will not be available for use for any region that does not come across to the AAA website prior to 1 November, and regions will be charged the full cost of website development, rather than the currently subsidised rate of \$500.

B19/M60 The Board **RESOLVED** that the CEO's report be accepted.



4.3. TREASURER'S UPDATE – Steve O'Keefe

Written report presented and discussed.

Financial statements presented. After inclusion of the following regional results the consolidated loss for the year was \$1,015 compared to a surplus of \$14,869 in 2017/18.

Annual Audit - Crowe Horwath have started their interim audit testing and final audit testing is scheduled for 19 – 20 August.

Tender documentation for a local auditor firms have been distributed – for discussion at Audit and Risk committee meeting scheduled for 15 August.

The consolidated result for the year includes a \$53,000 unrealised gain on the Mitcham investment property. Peter Lawrence of Lawrence Commercial has valued this property at \$885,000. The property was last valued at \$725,000 on 1 June 2016. In accordance with the relevant accounting standard AASB 140 Investment Property we have recognised the gain from the date we ceased to occupy i.e. 1 August 2018 to 30 June in the P & L. The gain attributable to the previous 2 financial years and recoupment of building depreciation of \$124,722 has been credited to the Asset Revaluation Reserve in accordance with AASB 116 Property, Plant & Equipment. In addition to the \$178,000 or 24.5 per cent capital growth on the Mitcham property, AAA also received \$36,795 of rent from that property during the year with the lease commencing on 8 October 2018.

In accordance with AASB 116, value of the Mitcham property was accepted at \$832,000 as at 1 August 2018. In accordance with AASB 140, the fair value of Mitcham is to be assessed annually though this will not necessarily require a formal valuation outside our current 3 year time period. A depreciation charge on the Mitcham property is no longer required.

B19/M61 The Board **RESOLVED** to accept and adopt the valuation of the Mitcham property by Peter Lawrence of Lawrence Commercial at \$885,000.

B19/M62 The Board **RESOLVED** to value the Mitcham property at \$832,000 as at 1 August 2018.

Director related party transactions discussed and will be reviewed by all Directors and confirmed to Treasurer.

CEO to develop a business continuity plan for the company.

B19/M63 The Board **RESOLVED** to accept Treasurer's report as presented

Guest Speaker

Nia Stavropoulos, Managing Director of Sigma23, fashion designer using predominantly alpaca, presented to the Board. Nia presented on value-adding of product and the importance of quality in fibre. The Australian industry is in the quality game, not the quantity game. Vegetable matter and medullated fibre seen by designers as the biggest problem with alpaca. She also spoke about provenance of the fibre, scouring facilities. 85-95mm ultimate length to be targeted for use in high fashion. Tensile strength of 45n+. Importance of the feeding regime in order to increase nutrition at critical times of stress such as drought. Mrs Stavropoulos has agreed to write an article for the next edition of the magazine.



5.0 REGIONAL ISSUES

5.1. Proposed Regional Regulations

The responses to the draft regulations were discussed and a further draft of the regulations developed. The document as well as the draft regulations to be distributed with the notice of the AGM.

B19/M64 The Board RESOLVED to adopt the proposed regulation amendments and take to the AGM subject to constitutional amendments being made. If constitutional amendments not made, regulations made subject to amendments to constitutional changes in relation to youth members.

The proposed regulation amendments are to be distributed with AGM papers.

5.2. Proposed Constitutional Amendments

Proposed amendments were presented and discussed.

Proposed to amend clause 4.3(e) to read: A

Youth/Educational Member is entitled to:

(A) : receive electronic information provided to all Members (B) Attend general meetings of Members (C) Apply for a Herd Prefix (D) Register and transfer animals and verify service by a stud male on the IAR according to the relevant rules as determined by the Board; and (E) Show animals at Company Accredited shows.

The Board may admit as a Youth/Educational Member at its sole discretion and without giving any reason for doing so:

(i) any person who is eighteen years or over and under the age of 21 years and such a Youth/Educational Member shall also be entitled to: (A) nominate eligible Members for election as a Director of the Company; (B) Vote at any meeting or in a Ballot (C) Vote in elections for Directors but shall not be entitled to stand for election to the position of Director;

(ii) Any person who is under the age of 18 years and such a Youth/Educational Member shall also be entitled to stand for election to any committee so authorised under the Regulations but shall not be entitled to:

(A) nominate eligible Members for election as a Director of the Company; (B) Vote at any meeting or in a Ballot (C) Vote in elections for Directors (D) Stand for election to the position of Director

(iii) Any educational institution (and the educational institution must nominate a person as its representative and may change its nominated representative by notice in writing) but shall not be entitled to: (A) nominate eligible Members for election as a Director of the Company; (B) Vote at any meeting or in a Ballot (C) Vote in elections for Directors (D) Stand for election to the position of Director

Proposed to amend clause 8.1 to read:

The Board may of its own motion arrange to hold a Ballot to vote upon a measure or to elect a Director of the Company and must arrange to hold such a Ballot if required by requests:

(a) In writing and signed from at least 20 of the Full and Life Members and delivered in the same manner and with the same time frame as a proxy under clause 7.22(c); or (b) Of at least 10 of the Full and Life Members present at the meeting.

3. If the Regulations attached to the Constitution as Annexure A are repealed and replaced with the Regulations circulated with the notice of Annual General Meeting by Ordinary Resolution of the Company, then (as they deal with matters that are now addressed in the new Regulations) – (i) Delete subparagraph 14.1(c) of the Constitution; and (ii) Delete Annexure B of the Constitution

B19/M65 The Board RESOLVED to add the proposed constitutional amendments to the agenda of the 2019 AGM.



5.3. Election Guidelines

A set of Proposed Guidelines for Electioneering during AAA Board Election for candidates in the 2019 Board Election and their supporters was discussed.

1. Candidates will be given three opportunities to have the National Office forward written material by email to Voting Members:
 - a. The first will be limited to 400 words and will go out with notice of the AGM and of the candidates for election;
 - b. The second will go out towards the end of the first week after voting commences. It will have no word limit, but candidates should bear in mind that most email addresses have a limit on how much data can be sent in a single email.
 - c. The third will go out towards the end of the second week after voting commences. Again, it will have no word limit but candidates should bear in mind that most email addresses have a limit on how much data can be sent in a single email.
2. Candidates and their supporters are encouraged to focus their electioneering material on the experience and skills they would bring to the role and their proposed policies to advance the Company and the alpaca industry.
3. Candidates and their supporters are welcome to contact members who are known to them to urge such members to vote for themselves or their candidate but are discouraged from direct emailing the entire membership. Their opportunity to reach the entire membership is given under 1 above.
4. Candidates may post on social media provided they comply with the AAA's Social Media Code of Conduct.

B19/M66 The Board **RESOLVED to** endorse the set of guidelines for electioneering during the Board election and for these Guidelines to be publicised to membership.

6. MEMBER ISSUES

6.1. Pen Panels

A policy for management of the nationally-owned pen panels was discussed. Regions will be able to apply to head office for access to pen panels and can also apply to temporarily store the panels in their regions. Costs of transportation and return are to be covered by the borrowing region.

B19/M67 The Board **RESOLVED** that the 400 pen panels currently in Bendigo will be permanently stored in Bendigo and made available for use at regional shows and events through application to head office with all costs of transportation to be covered by the borrowing region.

6.2. eAlpaca UPDATE

eAlpaca report provided by SH outlining all eAlpaca changes or requests that are underway or completed. Ealpaca change requests were discussed and agreed in particular:



- pop up warning for show complete status,
- show payment dispersal button.

Other eAlpaca issues included fleeces over-age at Nationals, art and product classes at Nationals. Youth classes are with Simplify Solutions for scoping.

The Board noted the report. That Board noted that Simplify Solutions has developed a plan for business continuity.

The process for new show establishment in eAlpaca was discussed. Convenors must discuss with the Shows Administrator to apply with Head Office for a new show code to be established in the system.

6.2.1. eAlpaca Policy Issues

6.2.1.1. Email Address Management for show entries

Discussion on one email address per membership. Where a member has multiple herd prefixes one of them is the dominant prefix on eAlpaca, linked to the email address registered for that member.

eAlpaca provides four levels of affiliation:

- i) No affiliation - separate accounts
- ii) Shared access - agistment
- iii) Joint management - linked accounts
- iv) Joint 'stable' - one account with multiple herds

Stables are represented in the show system through their preferred herd prefix. This is intended to maximise their positioning as a stable, including entering into any 'exhibitor' awards as a single entity. Linked accounts effectively run the same way in the show system, although, one member has raised that they would like to log into one of their herd codes and submit a separate show entry if they wished. Herds run under joint membership will require separate memberships if they wish to enter shows as separate entities. The Board agreed that there will be no refunds.

B19/M68 The Board **RESOLVED** that joint management accounts in eAlpaca to be managed through one email address only and if a herd is run under joint management wanted to enter shows as separate entities, this would require separate memberships.

6.2.1.2. Transferring NZ animals into an Australian herd

The office has received requests to transfer herds from NZ animals recorded in the eAlpaca system although the animals will continue to be domiciled in NZ. All animals have IAR tags but not all registered on eAlpaca.

There is currently no mechanism for transferring herd codes and prefixes from NZ to Australia.

B19/M69 The Board **RESOLVED** that animals with an IAR and registered on the ABRA database can be transferred to Australia from NZ into the regional code 19 and that these animals will be unable to enter shows or to register cria.

Region 19 is to be reactivated in eAlpaca.



6.3. Integrity Panel Report – in camera

7. COMMITTEE REPORTS

7.1. SHOWING AND JUDGING

Discussion on reimbursements and claim forms.

B19/M71 The Board RESOLVED that per diems for judges will be paid at a maximum of one day more than the length of the show i.e. for a one-day show, max of 2 day per diem.

- Secretary Position on SJC has been approached and if a suitable candidate cannot be found, CEO will send EOI to wider membership.
- Show allocation procedure will be looked at again by SJC after the second judge intake has been finalised.
- SJC to communicate with convenors of Royal Shows to remind them of the AAA judge allocation process so that it can be used in the future.
- The Board noted that Suri numbers at shows have increased.
- Approval process for judge payments is awaiting SJC input.

8. PORTFOLIO REPORTS

8.1. AWEX CODE OF PRACTICE.

TP reported that the AWEX Code of Practice is still being drafted. Following the presentation by Nia Stavropoulos, he will request that it include VM and tensile strength. COP will go out for member consultation prior to publication.

8.2. EDUCATION AND TRAINING

TP reported that regions have provided training requirement information

8.3. BIOSECURITY AND ANIMAL HEALTH AND WELFARE

The Biosecurity Working Group has held an initial teleconference to discuss Q-Alpaca and Biosecurity planning

A research proposal on Barbervax and Bioworma was considered and discussed.

B19/M72 The Board RESOLVED that research proposal on Barbervax and Bioworma will not be taken up.

8.4. AYE

AYE report held over to next meeting.

Meeting closed at 16:16

Chairman _____

Dated 6/9/19