RIDGEMOUNT FOREST PARTNERSHIP

MINUTES OF THE FOREST VISIT MEETING
HELD AT THE NAPIER WAR MEMORIAL CENTRE
ON SATURDAY 29th APRIL 2017 AT 8.30AM

PRESENT
Roger Dickie (No 23) Ltd (in attendance by Proxy by Margaret Prince), R Bourne, P & A Hancox, C Blatch & P Grover, R & L Benning, R & K Warren, Yen Bui, Duc Anh Nguyen

ATTENDING
Roger Dickie, William Dickie, Grant Moore & Richard Bourne (Roger Dickie (NZ) Ltd), Edward Dickie (Harvest Logistics), Richard Spong (Covenant), Steve Bell, Rory Bennison, Richard Airey & Paul Van der Voort (Forest Management (NZ) Ltd), Jeff Whitlock & Margaret Prince (Markhams Waverley Ltd).

APPOINTMENT OF CHAIRMAN
Nominations were called for the position of Chairman for this meeting.
P Grover / A Hancox THAT J Whitlcok be appointed Chairman for this meeting. CARRIED

APOLOGIES & PROXIES
Apologies were received from Cole Boyd Family Trust, Westmere Trust, From Our Roots Company Ltd, Green Globe Ltd, Gunter Alois Medwed, J Thomas, K Koo, Kiwi Classic Ltd, Malorn Enterprises Ltd, M King, N O'Connor P Brydges & J Gallen, Sheffield Management Ltd, S Aberyratme, W Whewell.
Proxies were held for the above named, establishing a quorum for the meeting.
C Blatch / R Warren THAT the apologies and proxies be sustained.
CARRIED

MINUTES
The minutes of the 2016 General Meeting had been circulated.
P Hancox / R Benning THAT the minutes be confirmed. CARRIED

ARISING FROM MINUTES
Nil

REPORTS AND FINANCIAL ACCOUNTS
The reports from Roger Dickie, Forest Management (NZ) Ltd, PF Olsen's 2017 Tree Crop Valuation and the 2017 Draft Financial Statements were tabled and discussed.
Roger Dickie advised that the audited financial statements will be distributed at the AGM and in the unlikely event there are any changes from the draft accounts, partners will be advised.

PUBLIC LIABILITY INSURANCE
P Hancox / P Grover THAT Public Liability Insurance be effected for $10 million. CARRIED

ADMINISTRATION
P Grover / R Benning THAT the Managers' remuneration be at a rate of $370 (GST excl.) per month.
CARRIED

BUDGET
P Hancox / R Warren THAT the Budget Cashflow Statement for the year to 28th February 2018 be approved subject to any shortfall from the Investment Fund to pay the Insurance premium being covered by the sale of NZUs.
CARRIED

RESOLUTION 1
R Benning / P Grover THAT the Manager have authority to sell liability free New Zealand Units as deemed appropriate. Note: P Hancox voted against this resolution. CARRIED

RESOLUTION 2

R Benning / R Warren THAT funds earned from the sale of NZUs be held in an interest bearing account and be used to meet future partnership operating expenses as required.

CARRIED

GENERAL INFORMATION

Peter Hancox queried harvesting at age 26, and the effect on income. Steve Bell explained that the pre-harvest inventory and lidar would give better information on costs so better decisions could be made. Cost benefit analysis would be undertaken.

GENERAL BUSINESS

ETS

Roger spoke in regard to the ETS saying NZU's were currently trading around the $17 mark. He said no one knows what the future may bring and as per the resolutions presented he believes it prudent to sell additional NZU's. Of all the partners in the group only 3 had voted against the resolutions. Roger commented the market is quite thin and the NZU's would take time to sell. The strategy will be to drip feed into the market in parcels and pro rata between the partnerships.

Cyclone Cook

Roger advised that there had been some limited damage in a few of the forests around Napier and they will be making an insurance claim. He continued, over all, we had been very lucky that the cyclone tracked faster and further east than originally forecast and the severe winds had not lasted long.

Post Harvest

With more and more forests approaching harvest Richard advised there will be another 'Harvest and Beyond' conference held in Napier on October 28th. An often asked question is, "What happens after harvest"? and this will be covered at the conference. However he confirmed that the land will be replanted to maintain the asset value. Richard advised a scenario that is finding favour with many is to pre-fund the next rotation so there are no further inputs required. This would allow partners to leave a totally unencumbered fully funded legacy to their beneficiaries. Those wanting to exit could offer their share to those who are keen to continue or on the secondary market.
If on the other hand the majority vote to sell the newly planted forest, then with pre-funding the forest is funded until such time as a buyer can be found.

Meeting closed.

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Chairman
Ridgemount Forest Partnership