

**MINUTES**  
**MICHIGAN ASPARGUS ADVISORY BOARD**  
Dec 5, 2022  
Amway, Grand Rapids

Chairman, Dwight Fuehring called the meeting to order at 1:30 pm.

**MEMBERS PRESENT:** Sarah Greiner, Jordon Walsworth, Dwight Fuehring, Kyle Weber  
Bill Schwass, John Williams, Scott Hassle, and Nick Oomen

**MEMBERS ABSENT:** Kevin Burmeister

**OTHERS PRESENT:** Jamie Clover Adams – Executive Director Joy McDevitt – Accountant/Office  
Manager Loren Koeman -MI Farm Bureau, Brandon Yott – CEO- Fox Seeds

**MINUTES**

The minutes from the last meeting, August 17, 2022, were sent to the Board for review, prior to the meeting. Dwight requested a motion to approve minutes.

Motion No 1 Motion by Bill Schwass, supported by Jordon Walsworth to approve the minutes of the August 17, 2022, as presented. All Ayes. **Motion passed.**

**PUBLIC COMMENT:**

Dwight Fuehring asked if there was any Public Comment at this time. Jamie Clover Adams introduced Brandon Yott, CEO of Fox Seeds and Executive Director of Asparagus Farmers of Ontario (AFO).

Brandon reported that the AFO had also done promotion this past harvest on social media. From a past survey, they realized the public didn't know when their production season was, so this was the focus for this social media. He reported tonnage was ok this past year, their market is all fresh, no processed. He reported that the AFO also deals with imports from Peru.

He reported that Fox Seeds bought a 90-acre research farm three years ago. The original breeding work was created by Dave Wolyn for University of Guelph at the Simcoe Research Station. They are in the process of transferring the seed research from Simcoe to the new research farm, which will take about 10 years to transfer all the trials to Fox Seeds. They also invested in a machine to weigh and analyze spears which will allow for more consistent data. They have also built a plant tissue culture lab at the research farm, which will allow them to maintain their priority clones. They have hired a Breeder, Cindy Rouet, as well as a new farm manager. He stated that they had a record year in seed sales, primarily due to Michigan, some Washington and Europe.

Question was asked if there was an increase in production in Ontario; he replied that over the past 20-30 years, the acreage did not increase, but the yields, which historically were as low as 3,000

pounds/acre are now getting as much as 11,000 pounds/acre. Brandon does anticipate some acreage loss in the coming year, due to costs, labor issues, and market sale price. He is anticipating an increase in Mexican employee's labor rates, per the Mexican Consulate. He explained they deal with each consulate for whichever country they have hired labor. He is seeing an increase in oversight and rules from the consulates.

Another question asked was how they measure the success of their promotion program. Brandon stated they have followed up their social media programs with a 2,000-4,000 people survey. Their focus on the marketing campaign included when the local asparagus is available; after realizing people did not know when the season was.

Hearing no further questions, Dwight turned the floor over to Keith Pfeifle, Maner Costerisan

### **AUDIT REPORT**

Keith Pfeifle, Maner Costerisan Partner, presented the MAAB audit report. He shared that due to public Act 232, we are required to have an annual audit. He stated that pages one and two of the Independent Auditor's Report states that the financial statements are presented fairly in all material respects. He continued that the governance letter included a reference that there was a \$23,341 grant expense reported in the fiscal year ending June 30, 2021, but the income had not been included. Maner Costerisan did not re-state the financial statements and included it as income in the current year, since this was just a timing difference. On page 9 he pointed out the balance sheet with three columns; far left is fund accounting, and the far right is full accrual. MAAB did adopt the new capitalized lease standard, with an asset of the "right to use" and a related liability for the three-year lease for office space. If he compares the \$604,633, ending fund balance to our operating costs, roughly \$500,000; we could make it an entire year without any assessments collected. Page 10 is the income statement; with a net income of \$36,463. He pointed out Note 9 – Grant Awards the two middle columns should be the same – current year grant expenses and current year grant revenue, this is the \$23,341 timing difference mentioned earlier. He stated there will be an upcoming accounting standard related to I.T. that will likely affect us in the next audit. Page 22 addresses the budget, noting that we had stayed within the budget and the Board is being a good steward of their money. The governance letter stated no difficulty with management during the audit.

Hearing no questions on the Audit Report, Dwight asked for a motion.

Motion No. 2 Motion by Nick Oomen, supported by Scott Hassel to accept the Audit Report as presented. All Ayes. **Motion passed.**

### **PARTNER REPORTS:**

#### **Heather Throne – Michigan Department of Agriculture and Rural Development (MDARD)**

Heather reported on the following topics:

- 2022 SCBGs: The USDA approved the state plan for traditional farm bill funding as well as HR 133 (COVID) funding. Those were previously announced and should be underway.
- 2023 SCBG dates: Announcing the Request for Proposals (RFP) on January 4, 2023; the application will be due back to MDARD by February 28, 2023. There will be an informational session, but she doesn't anticipate any major changes. Farm Bill funds will be the only source of money; she anticipates it to be approximately \$1.8 – 2 million

- Rural Development grants – They received 76 applications in November 2022 and the recipients will be announced late in February 2023.
- There is a new Rural Development funding source coming from the new Office of Rural Development. They have \$3 million in their budget, there will be more information to come.
- Value Added Regional Food System grants has \$1.5 million in funding that will be announced on February 2, 2023, and the proposals will be due back on April 4, 2023.
- It was announced on December 2, 2022, that Gary McDowell will retire effective December 31, 2022. The current Deputy Director, Kathy Angerer, will be the Acting Director.

### **MSUE**

Ben Werling reported on the following topics.

- There will be a joint IR4 project with Canada on Alion, which is effective on pigweed.
- Zsofia has been working with growers this past fall on asparagus beetle and has determined it overwinters in the previous year's stubble (from 2021 harvest). She is determining the best way to combat this, i.e., a way to bust this up.
- Ben is on the search committee along with Gerrit Herrygers and Emily Lavelly to help fill the position of the WCMHR Farm Manager.
- Ben Phillips, another vegetable educator who was in Saginaw County is now at SWMREC (Southwest Michigan Research and Extension Center).

Jamie asked on the Alion IR4 project if this means it will go faster since it's a joint project? Brandon Yott stated that it would be likely to be reviewed a little bit faster.

Hearing no questions, Dwight turned it over to Loren Koeman from Michigan Farm Bureau (MFB). It was also noted there is no report from MACMA, since Nick Nadai was unavailable due to family matters.

### **Michigan Farm Bureau Report – Loren Koeman**

Loren introduced himself, he joined MFB in April 2022, he is the lead Economist and Manager of the Industry, Conservation and Regulatory Relations Department. He recently attended the MFB annual meeting in Grand Rapids stating there weren't any major policy changes. He continued with information on the following topics.

- Labor – The Farm Workforce Modernization Act has gone through the House of Representatives. MFB would like to see action in the Senate before the end of the session.
- AEWR (Adverse Effect Wage Rate): The National Agricultural Statistics Service (NASS) survey came out, followed by a nearly \$2 increase in the hourly rate. Farm Bureau is asking for a pause on this increase until a pending rule on the calculation method is finalized.
- At their annual meeting, it was decided to ask NASS how many domestic applications are received. Meaning, if there aren't domestic people looking for jobs is there really an "adverse effect" with hiring foreign labor? There was also concern of the adverse effect in the processing plants, since these are domestic jobs that will be affected when the crops aren't planted/harvested.

There were further discussion/comments about the general pessimistic perception of the increasing wage rate and its effect on agriculture. If we can't afford to plant and harvest our own domestic food source, the pandemic demonstrated what happens when key items are sourced from outside our borders. Plus, if we can't afford the labor and can't grow the crops what happens when the downstream effect is felt in related industry jobs, i.e., layoffs and processing plants closing. There were

further comments as to who is receiving these NASS surveys that impact the AEWB and how they are completed.

Loren Koeman also commented that they are working on the Farm Bill, keeping specialty crop research dollars intact, adding and expanding crop insurance, simplifying whole farm insurance and working on ag innovation.

### **Current Year Financial Report:**

Joy reported on the Income Statement as of October 31, 2022, which is actually reporting three months of expenses, since there is a one-month lag in the payment of bills. We have recognized all of our assessment revenue and are showing \$440,991 in income. There is \$117,706.98 in expenses. There will be budget changes addressed later in the meeting.

### **ANNUAL ORGANIZATIONAL MEETING:**

Chairman Dwight Fuehring turned the meeting over to Jamie to conduct the Chairman elections and also stated that he will not be running for Chairman again.

#### **a.) Election of Officers:**

Bill Schwass nominated Jordon Walsworth for Chairman.  
Nick Oomen nominated Sarah Greiner for Chairman.

Jamie handed out ballots and subsequently tabulated them. Out-going Chairman Dwight Fuehring announced Sarah Greiner will be the new Chair of the Board.

Bill Schwass nominated Jordon Walsworth for Vice Chair.  
Hearing no other nominations, vote was conducted, all Ayes – Jordon will remain as Vice Chair.

Sarah Greiner nominated Nick Oomen for Secretary/Treasurer.  
Hearing no other nominations, vote was conducted, all Ayes – Nick will be the Secretary/Treasurer.

As a re-cap the new officers are:

- Chair – Sarah Greiner
- Vice Chair – Jordon Walsworth
- Treasurer/Secretary – Nick Oomen

Motion No 3 Motion by Jordon Walsworth, supported by Bill Schwass to approve the check signers, as Jamie Clover Adams as Executive Director, Sarah Greiner as Chair, and Nick Oomen as Secretary/Treasurer. All Ayes. **Motion passed.**

At this point Sarah Greiner took over as Chair for the remainder of the meeting.

Nick brought up he had been asked by researcher Dr. Mary Hausbeck if there was going to be an official "call for funding" for either asparagus or carrots? His understanding was this was usually addressed at the February MARI meeting. Ben provided some background to clarify this request; previously (before SCBGs were so common) there had been a more formal request of "call for funding". Nick explained that she was not looking for specific support for any projects but was trying to clarify the timing of any request.

**b.) Board Committee Appointments - MARI:**

Jamie Clover Adams stated Nick Oomen currently serves on the Board for MARI (Michigan Asparagus Research, Inc). Nick Oomen is willing to continue to serve.

**c.) Meeting dates:**

Before dates were established, the question was asked is three meetings enough? Too many? Per discussion, it was determined it was sufficient.

The following tentative dates were determined for the 2023 meetings:

- Tuesday, March 7, 2023 - West Central Hort Research Station (WCHRS)
- Wednesday, July 26, 2023 – (WCHRS)
- Monday, December 4, 2023 (GL Expo)

**EXECUTIVE DIRECTOR's REPORT**

**2023 AEW**

Jamie reported she is working with other commodity groups – Cherry, Apple, Onion, as well as Michigan Vegetable Council, and Michigan Farm Bureau to submit a letter to President Biden, signed by as many growers as possible, asking for the Secretary of Labor to fix the AEW issue. She plans to submit it to the White House by December 13, 2022. She also has a telephone meeting with the OMB (Office of Management and Budget) on December 14 at 2 pm. She will have 30 minutes in which to have four growers, one from cherries, one from apple, Justin Oomen with vegetables and Jordon Walsworth to present their concerns and the impact this AEW increase will have on their operations.

Jamie has also asked Mary Judnick to set up an appointment with Senator Debbie Stabenow. The apple growers are also meeting with Senator Stabenow and will raise this issue. Bill Schwass suggested reaching out to State Senator Victory, as well.

It was asked if other states are addressing this AEW issue, Jamie stated she was aware of Florida and Georgia also working on their own plans.

Jamie also reported on the new H2A rule, referred to as the program rule, deals more with the activities of farm labor contractors. The National Council of Agriculture Employers (NCAE), which MAAB belongs to, is suing the Department of Labor (DOL) for changes made by the Biden administration which did not adhere to the requirement of a hearings and comment period. The program rule changes have additional affects beside the actual labor rate, such as farm labor contractors obtaining a surety bond, which is very difficult and expensive to obtain.

Jamie has worked with the Michigan Vegetable Council, MFB and the Blueberry Commission to send a letter to Trade Ambassador Katherine Tai and Secretary Vilsack. Florida Congressmen on behalf of Florida growers had sent in a 301 petition to US Trade Ambassador Tai; there was enough other commodity groups responding they didn't support the petition such that the US Trade office put it on hold and will put together a formal advisory group to look discuss imports. The letter she has drafted states that Michigan growers face similar issues and would like representatives on the advisory group.

**Cost of Production Study Update.**

Jamie reported that Chris Bardenhagen is working on the Cost of Production study. He will be meeting with a group of growers on January 11, 2023, at the WCHR station in Hart. The plan is to have the information available at the March 2023 Oceana Asparagus Day meeting.

### MAAB Annual Update – Distribute at Asparagus Day 2023

Jamie reported this annual update was included in the 2022 research book, which was distributed at the annual Oceana Asparagus Day in March in New Era. Sarah stated she liked last year's document especially the activities that had been reported on. Let Jamie know if you have any further comments.

Jamie reminded the Board that there is a referendum scheduled for March 6-20<sup>th</sup> of 2023. Traditionally, MAAB sends out the pounds for the past three years ahead of time and will do that again this time.

Jamie reported that the West Michigan Food Association is having a meeting on sustainability on January 12, 2023, at the WCHRS. They often have updates and meetings; let her know and she will send you the link. She reported that she is on the Board of this organization.

### Asparagus Nutrition Analysis Report

Jamie reminded the board that MSU had done a nutritional analysis of our (Michigan) asparagus versus imported asparagus; The following attributes were reviewed:

- Fatty acids- Omega 3 and Omega 6- these are healthy fats you need. Michigan was nominally higher. She also pointed out that Omegas 3 and 6 are not normally provided through plants.
- Minerals – The imported product had a lot more sodium, magnesium and other minerals we don't. Jamie questioned if this was a function of irrigation and whether it was in the water.
- Chlorophyll – The health benefits is in early stages with regards to cancer prevention: Michigan is significantly higher than the imported product. Jamie questioned whether this is attributable to the fresher samples here in Michigan.

Jamie summarized she would take this data and compile positive talking points.

Brandon Yott commented that there had been some studies done in Canada that showed asparagus is high in rutin, (a bioflavonoid that contains an antioxidant to reduce inflammation). A study in Japan validated that Fox Seeds asparagus is the highest in rutin of all commercial asparagus plants. Brandon stated they are looking into further studies and obtaining further grants on this rutin research. This is important as a way to differentiate itself..." our" asparagus has the highest rutin values. He stated they are also looking at flavor profiles of Fox Seed asparagus as a way to customize and promote their asparagus.

Jamie reported that we have one SCBG on research on asparagus, Zsofia Szendrei's work on asparagus beetles. We also have one Marketing grant on digital advertising, since online shopping is still popular, though asparagus is often an impulse buy on sight, so how do we capture the online shopper's interest.

Jamie shared MAAB is working to cut administrative costs; another commodity group is in our suite reducing our rent cost. We have also combined our Comcast service with Cherry Marketing Institute to generate additional savings.

## **EMERGING ISSUES**

### **a.) Fresh Packer Grant Program for 2023 Season - Proposal**

Jamie reported food inflation continues to remain high and food prices are not declining creating concern that the downward pressure on sales volumes could continue in 2023. To address this issue, she is proposing a grant to our packers to allow them to work with retailers to promote asparagus in order to move more product.

There was some discussion about a similar program done about 5 plus years ago.

Jordon suggested that we use the combined dollar amount and spend it collectively to get asparagus promotion out there. It was pointed out that it would need to focus on "Michigan" asparagus.

The question was asked could you use the funds during the time that Peru sells during our season and offer a discount to the buyer. Consensus was this would not work.

Jamie summarized that she would re-draft a proposal in early January and schedule a phone call to further discuss.

#### **b.) Service Contract**

Jamie is working with growers to start an asparagus association with voluntary dues to advocate on behalf of Michigan asparagus growers. As a section 232, MAAB is not allowed to advocate and sign letters on national topics such as pesticides.

Motion                      Motion by Jordon Walsworth, supported by Bill Schwass to authorize the Chair to enter  
No 4                              into a contract with the voluntary association to provide services to the newly formed  
Association. **All Ayes. Motion passed.**

#### **c.) 2023 Season MAAB Assessment Rate - Discussion**

There are two spreadsheets included in the materials: one that shows a 10 year look back of fund balances and assessment collections and the second shows the historic pounds and assessment rates.

Discussion on the coming season (2023), Nick doesn't see that the harvested pounds will be as high as 2022. There will be some older fields coming out. The consensus is that they don't think there should be an increase in the rate. The question was asked when does the USDA make their purchase? Discussion was that last year's two purchases were because of COVID monies. It was stated that MACMA will be putting in a purchase request; if it is not accepted by the USDA, it will greatly affect the market.

The question was asked do we know how many acres will be planted, based on the robust seed sales the past two years. Jamie stated that there is the USDA Ag Census, but it will awhile before it is submitted and compiled. Ben Werling shared that in the past questions like this were asked Oceana Asparagus Days using an electronic survey system.

Upon no further discussion, the Chair moved on to the budget.

#### **10. Consider MAAB FY 22-23 Budget Amendments**

Jamie proposed a couple of changes to the budget. The changes are to true up the numbers. Briefly, these are:

- Decrease processed '22 crop revenue by \$12,400.
- Increase fresh '22 crop revenue by \$11,200.
- Decrease SCBG reimbursement by \$31,000.
- Increase SCBG Marketing reimbursement by \$767.
- Increase in interest income by \$3,700.
- Increase in SCBG Marketing expenses by \$767 (corresponding to above income change)
- Decrease in SCBG research expense by \$31,000 (corresponding to above income change)

The net effect is to decrease revenue by \$27,733 to \$543,874. and to decrease expenses by \$30,233 to \$496,875 thus resulting in a net income of \$46,999.

Motion            Motion by Scott Hassle supported by Kyle Weber to change the budget as presented.  
No. 5            **All Ayes, Motion passed.**

## 2<sup>ND</sup> PUBLIC COMMENT PERIOD

Hearing no comment, the Chair moved on to other business.

## OTHER BUSINESS

Jamie reported that a Scholarship fund was set up in the Oceana Community Foundation for Tom Oomen ("Tom & Jill Oomen Family Agriculture & Skilled Trades Scholarship"). The scholarship will be used for those in pursuit of agriculture-related or skilled trades career/credential. It was noted that the Board is allowed to make a contribution as an appropriate expense.

Motion            Motion by Nick Oomen supported by Bill Schwass to donate \$1,000 to the Tom and  
No. 6            Jill Oomen Family Agriculture & Skilled Trades Scholarship fund, along with the  
corresponding change in the budget. **All Ayes, Motion passed.**

The Chair asked if the domestic buyers mission is still planned for May. Jamie stated it is, she was able to obtain names and addresses from the IFPA October convention for potential buyers to invite.

The Chair asked about the status of the mechanical harvesting. Jamie stated that the research was ongoing in New Zealand; she has been unable to secure funding to help support it but continues to look for grant opportunities.

Nick Oomen reported that he learned at the IFPA convention there was discussion regarding USDA removing the fumigation for imported Peruvian asparagus. He has also concluded there is no way to stop Peru from doing what they want (regarding importing during our season), it's their timing to import in May to keep the holiday (Christmas) business. The one thing that will impact their decision is if the growers determine their water input is more valuable being used for a different crop, since asparagus is a large user of water.

Jordon Walsworth reported MACMA is considering asking for a purchase from USDA at same level as last year. Discussion continued regarding processors, with word that one of the processors may not be processing asparagus this coming year, the margins are too low.

Hearing no additional business presented the Chair adjourned the meeting at 4:05 pm.

Respectfully submitted,

Jamie Clover Adams  
Executive Director