

**Apple Research & Development Program
Advisory Board Meeting Minutes**

March 8th, 2023

**Cornell Agitech
Jordan Hall – Room 210
630 W. North St.
Geneva, NY 14456**

The meeting was called to order by Chairman Furber at 10:04 AM.

Board Members Present:

Ted Furber (Chairman), Joy Crist, Kevin Bittner, Charles Hurd, Chip Bailey, Jonathan Oakes, Robert Brown, William Shattuck

Board Members Absent:

Peter Ten Eyck

Others Present

Jennifer Scaglia, Cornell University

Board Reports

ARDP Board members presented on their 2022 season and outlook for the 2023 season. The Board did not indicate any major issues regarding crop size and health for the prior or upcoming season. Updates to New York's agricultural labor laws (e.g. – increased wage requirements, overtime restrictions, etc.) and their impact on apple farms remains one of the more pressing issues expressed by the Board. Below are reports provided by each Board member in attendance:

J. Crist – In Spring, thought they had thinned down to perfect size, but 10-week drought, didn't end up with the count expected, volume was down, condition of fruit was good/ good size. Significant investments in irrigation to keep trees thriving, however other growers in the region don't have such capacity. Planted new trees for Angry Orchard who lost interest and trees were lost. Biggest problems this year involved agricultural union and who's involved. Workers who are most vulnerable seem to be targeted by union requirements; "hands are tied when going up against 'big labor'". Joy will send to the Board labor report results. Waiting to see where H@A visas can be processed timely. Up to 7 orchards and 1 dairy farm, 1 apple orchard got certified. Only 8 days given for a perfect response. Extent of H2A changes yet to be seen. Random Dept. of Labor inspections hold up operations. Only recently got DOL sign-off from last season's inspection results.

K. Bittner – Biggest crop this year, ran out of bins, could not pick every apple. Rented as many bins as possible. 8,000 – 10,000 bushels left in the field, picked 150,000 bushels, usually 120,000. Did not have bin space or time to go back for a 2nd pick. Bitter pit/ browning evident, not much scab, new trees coming into production, not as many old trees going out. Labor costs and DOL challenges the biggest concern in the long-term.

T. Furber – Biggest crop they've ever had, not much loss. Huge crop of Empires, quality and size good at harvest. Everything ripened at the same time. Kind of rushed at harvest time. Strange drop year. Pack-outs good. Honeycrisps a little lower volume than hoped but overall returns good. Concerned that cost of labor is on the rise.

J. Oakes – Great season, large crop, scrambling for storage bins, hurricane in Florida cut down sales pipeline down south. Some decrease in sales. Fire blight (mostly on cider apples), although relatively good, clean year. Urgent issues include extreme weather and temperature variances.

C. Hurd – Talked to packaging guys who noted some spotting and some loss. Water was generally sufficient, irrigating logistics prevented incurring much loss. Overall, a very good season.

C. Bailey – Good crop, very dry year. Irrigated all summer long. When rain came in the fall, helped to expand apple crop. Hired extra workers to carry through the season, good quality/ exceptional, pack-outs good and returns very good. Increased labor costs/ H2A program are formidable challenges to the bottom line.

R. Brown – New era of higher yields. Some of region had to deal with hail, storms/ weather tracking differently than prior years. Some stink bug damage, enough to continue to be a priority. Trying out new tree varieties, exciting and challenging.

Administrator's Reports

ARDP account status was presented to the Board as follows:

Collections

Point-in-time collections as of 3/6/23 came in at 11.9% more than the same time last year (\$409,314.40 vs. \$365,798.57). The previous 10-year average collections from April - March is \$401,015.39 annually. Based on grower reports, Division staff expect near this average for crop year 2023 collections.

Account Balance

The ARDP account balance as of 3/6/23 is significantly higher than this time last year (\$647,877.14 vs. \$321,286.03). This is mostly a timing issue, as more expenses were outlaid within the 2022-23 fiscal year, both for current and prior year contracts, compared to this year through 3/6/23. Additional disbursements for expenses under last year's contract still to be paid, and additional collections through the end of March, will impact available fund balance prior to next budget cycle. The account appears to have a sustainable balance to fulfill current contract obligations and maintain a substantial reserve balance for the next cycle.

Draft Budget

The Board provided approval of \$449,120 for 10 research projects, \$16,000 for NYS Hort. Society publication costs (Fruit Quarterly) and 5% contract admin of \$23,256 (between AGM and ESD staff). Considering reports of a quality year ahead, average collections and current account balances the budget appears sustainable. Division staff project having an ARDP account balance of \$196,975 after this budget is implemented (by 3/31/24).

Research Project Review

The Board reviewed and discussed the merits and/or issues with 24 unique projects submitted by Cornell University through an internal Request for Proposals. Discussion went on for approx. 2.5 hours until consensus was reached on funding. Information on the full proposals and the ARDP Advisory Board's funding selection available upon request, for additional context on each project and overall project scoring/ ranking. The Board unanimously decided to budget with ARDP grower funds as follows:

- 10 apple research projects @ \$449,120 under the grower-funded ARDP Marketing Order Program;
- 11 apple research projects @ \$505,000 under the State Local Assistance-funded ARDP program.
- 3 apple research projects solicited were not funded after Board scoring/ ranking.

Full scopes of work and budgets are maintained by Division staff.

Advisory Board Motions

1.) A motion was made by C. Bailey, seconded by K. Bittner, to carryover funds on hand April 1, 2023 for use in the 2023-2024 fiscal year; motion carried.

2.) A motion was made by K. Bittner, seconded by C. Bailey, to set the assessment rate for the 2023 crop year at .016 per bushel; motion carried.

3.) A motion was made by R. Brown, seconded by P. Ten Eyck, to accept the ARDP grower-funded budget as presented (motion carried), allowing:

\$ 449,120 for 10 ARDP grower-funded research projects and
 \$ 16,000 for 4 publications of the NYS Horticultural Society Fruit Quarterly.
 \$ 23,256 for 5% administration costs (both AGM and ESD staff)

Chairman Furber adjourned the meeting at 2:08 PM.