

The NZ Federation of Young Farmers Clubs Incorporated

21 May 2011

Special General Meeting

Offices of Federated Farmers,
Level 6, 154 Featherston Street, Wellington

Attendees:

Richard Fowler, Jason Hoyle, Paul Olsen, Elliot Scott, Scott Heasley, Sarah Kenworthy-Thompson, Jayson Thompson, James Falconer, Scott MacKenzie, Andrew Cammock, Mark Lambert, Cole Groves, Lisa Chapman, Keri Moore, Phil Wilson, Pete Gardyne, Rebecca Rufford, Christine Christiansen, Cam Brown, Trent Bellingham, Angus Brown, Vanessa Hore and Karyn van Wijngaarden.

Observers:

Sarah von Dadelszen, Stephen Franks, Richard Fitzgerald, Amanda Murray and Sara Russell.

The meeting opened at 10.05 am

Welcome

The New Zealand Young Farmers (NZYF) President, Richard Fowler, welcomed the attendees to the special general meeting. He outlined the primary purpose of meeting which is to review and vote on adopting the rules that have been redrafted for the organisation.

Introductions

Richard introduced guests at the meeting and those with Regional and National roles within NZYF:

Sarah Von Dadelszen – Independent NZYF Board Member

Stephen Franks – A constitutional expert who has offered advice on the revised rules

NZYF Vice Presidents – Paul Olsen, Jason Hoyle and Elliot Scott

Members of the constitution committee – Paul Olsen, Cole Groves, Vanessa Hore, Karyn van Wijngaarden and Elliot Scott

Richard Fitzgerald – NZYF CEO

Sara Russell – NZYF Manager

Regional Chairs – Scott Heasley, Jason Thompson, Mark Lambert, Cole Groves, Keri Moore and Pete Gardyne

Amanda Murray – NZYF Field Rep

Apologies

Erica van Reenen and Mike Croad

Mover / Seconder

Passed unanimously

Scrutineers

Sarah von Dadelszen

Elliot Scott / Angus Brown

Passed unanimously

Stephen Franks

Elliot Scott / Mark Lambert

Passed unanimously

Notifications of general business

There was no general business raised.

Verify voting numbers

Elliot Scott outlined the number of votes that can be cast per Region. Each Region gets 1 vote per 30 members and the President and Vice Presidents get 1 vote each. There will be one delegate from each Region who will perform the voting on the remit on behalf of the Region. There were questions from the floor around member numbers. As a result, the member numbers and number of votes per Region were clarified and amended.

Northern	1
Waikato / Bay of Plenty	6
Taranaki / Manawatu	10
East Coast	3
Tasman	7
Aorangi	5
Otago / Southland	5

It was noted that only fully paid members can vote and speak unless invited by the President.

Guidelines

Richard Fowler outlined the guidelines for the meeting, which would be reasonably formal due to its nature. There are four aspects to vote on; the adoption of previous remits and three separate remits. The process was clarified; someone will move each motion and speak to it, the seconder can also speak and then there will be general discussion on the remit. The mover can speak again and then a vote will be held. If motion is not passed, it can be discussed again and edited. Remits can be amended before voting.

Adoption of the previous remits

“That the remits, approved at the 2006 and 2007 Annual General Meetings, respectively, but not added to the written constitution or subsequently removed, are added to the existing constitution.

- i. If someone is elected to National President or Vice President before their 31st birthday, they may stay in office for two years.
- ii. If the Immediate Past President doesn't wish to stand after the first year, and have a place on the National Board, the members could vote to replace him / her with a third vice.”

Elliot Scott / Paul Olsen

Elliot Scott spoke to the remit

This is a process related issue as both of the remits have already been passed but neither are included in the current written constitution. It is to clarify the starting position from which the other proposed changes will be made.

There was no discussion.

Carried unanimously

First remit – Transition Arrangements

“Should the term of Board members be changed to two years at this Special General Meeting then, at the 2011 Annual General Meeting, elections are held for two Elected Members with terms of one year and two Elected Members with terms of two years. Current nominations for President and Vice-President will be valid for all four positions unless otherwise stated. Should any of the changes put existing Board members in breach of the rules, they are able to stay in office until the 2011 AGM.”

Elliot Scott / Paul Olsen

Elliot Scott spoke to the motion

This is a transition arrangement between the existing and proposed changes to the rules. It is important that a plan is in place so that the existing nominations for President and Vice President will be valid for the new positions and that the changes, if approved, do not put existing Board Members in breach of the new rules.

There was no discussion

Carried unanimously

Second Remit- Board Member Terms

“That the existing wording of Sections 5, 14(b), 14(c), 14(e) and 16(e) is replaced with the proposed amended wording:

Section 5

The officers of the Society shall be the four Elected Members. Elected Members shall have a two year term with the positions staggered so that two positions are elected each year. The Board shall elect a President and Vice President for the year to follow the AGM from the Elected Board Members [see clause 16(e)]. Such election shall take place as soon as practicable after the election of the Board. It is recommended that one of the officers of the society be under 25 years of age, and that one be from a North Island Region and that one be from a South Island Region.

Section 14(b)

The National Committee shall consist of the four Elected Members, [see clause 5], two nominated delegates with the right to substitute from each regional committee and such co-opted persons as the National Committee sees fit.

Section 14(c)

The National President and Vice-Presidents of the Society shall be the chairman and the vice-chairmen of the National Committee. The secretary of the National Committee shall be the NZYF Chief Executive.

Section 14(e)

Three months prior to the annual general meeting of the Society the National President shall call for nominations for Elected Members, such nominations to be announced and further nominations to be accepted until four weeks prior to the annual general meeting of the Society.

Section 16(e)

The President's annual report and the duly audited balance sheet of the Society shall be presented at the annual general meeting, when the Elected Members [see clause 5] shall be elected. Active members of a club within the Society shall be the only persons eligible for election as Elected Members. No person shall hold office as President of the Society for more than three consecutive years. If someone is elected as an Elected Member before their 31st birthday, they may stay in office for the duration of their term."

Elliot Scott / Jason Hoyle

Elliot Scott spoke to the remit

The NZYF Board have constantly been reviewing the organisation's risk profile and one of the biggest risks to the society is lack of continuity on the Board. He noted that at the AGM last July, three out of the four elected members changed. In addition, there was a new Independent Director and a new Contest Representative. This meant that out of eight Board members, there were five new faces. NZYF have now grown to have 14 staff and continue to play important part in leading the industry. It is crucial to be seen as an organisation with stable governance to retain and build on our credibility in the industry.

The Board has spent considerable time discussing the best way to address the issues and have recommended that the term for Board Members be lengthened to two years. Stephen Franks, who we consulted for feedback said rolling yearly elections are a great improvement for most organisations. Elliot stressed that of all the changes to be discussed today, that this is the most important for the future of the organisation.

Discussion:

There was a question from the floor on how the transition would be handled: All four positions will be up for election at the AGM and it is proposed to elect the two positions for a term of two years and then elect the two positions for terms of one year. The proposal calls for the board to elect a chairperson from those four people and that this then continues from then on.

Christine Christiansen inquired if there were any reason for one board member to be under 25. Elliot Scott noted that this remit has not been changed the existing rules other than the term of the board members. Sarah von Dadelszen added that it is a recommendation that doesn't have to be followed but the members should be aware of the age of the current board.

Christine replied that having someone quite young and inexperienced might be a risk as well. Stephen Franks commented that the proposed changes mitigates the risk of mass obsolescence (student associations is the nearest parallel because a number of older members can reach the end of their involvement all at once). He saw this as a nice compromise and could encourage members to recruit Board members relatively early. Christine noted that this could be a recommendation for the regions as well

Carried unanimously

Third Remit – Adoption of revised rules

“That New Zealand Young Farmers adopts the revised Rules as circulated and presented at the meeting.”

Elliot Scott / Jason Hoyle

Elliot Scott spoke to the remit

Elliot noted that the changes to the term of Board Members to mitigate the key risk of stability and continuity had just been unanimously endorsed. He continued by stating that another key issue has been the transparency in the current voting process. The Board had responded to feedback from various members that there had been anomalies and a change was proposed to enable everybody to cast their own vote. Further feedback had been that this was a step too far. The reviewers had arrived at what he believed was a good compromise and voting will be completed by both of the Regional delegates. The new rules also clarify the roles and responsibilities of each division in the organisation as well as clarifying the terms of and outlining the process for appointing Independent and Co-opted Directors.

The role of NZYF staff members was also clarified; NZYF employees can't be office holders at Club, District, Regional level or on the National Committee but they can be co-opted onto the Board. A further point to note about the changes was that there has been a full legal review. The original document was written some time ago and has been tinkered with since and there has not been a review of the entire document for some time. Elliot noted that both the Incorporated Societies and Charities acts have changed and it was pertinent to ensure the rules of organisation reflect current legislation. It is important to note that NZYF needs to register every year as a charity but there is no guarantee that will be able to sustain organisation as a charity, even with the existing rules. Finally, the changes bring the organisation in line with current activities – AgriKids, TeenAg and the possibility of a Rural Business Network were not considered when the rules were originally written.

Elliot then outlined the process that had been undertaken during the review; following feedback from members, the rules were rewritten and there was a process of communication to members getting feedback from people including Stephen Franks, and legal review from Macalister Mazengarb. The document was re-drafted and reviewed again by the NZYF Board and constitution committee at each stage. He acknowledged AGMARDT and Stephen Franks for their contribution to the process.

Jason Hoyle added that he sees this as an exciting time for NZYF going forward. The identity of NZYF has been retained and there is a good balance between who we are and what we're trying to achieve.

Discussion

Erica van Reenen made a written submission on the draft rules. The letter was read through by Paul Olsen and each point discussed separately (see attached document).

1) Inconsistency in the treatment of age throughout the document

Richard Fowler noted that Erica raised valid points that there is an inconsistency. Richard noted that if clause 26.2 was removed, it would make the situation clearer. This would then mean that the

Contest Committee could then determine the age limit for the Contest, rather than having it stipulated in the rules of the organisation.

Amendment to remit

“To remove clause 26.2 completely.”

Paul Olsen / Jayson Thompson

Carried unanimously

2) Clauses 12.5 & 12.6 – voting procedure is unclear. In addition proxy vote is unclear.

It was noted that there is effectively no change between the original system of 1 vote per 30 members in a Region and one vote for every member, as proposed in the draft rules. If anything it will make it fairer as under the current rules, a Region with 14 members or less would not get a vote. It is also proposed that the Board members vote changes to represent just one vote instead 30 votes. Board members wouldn't get one vote of their own, but would instead vote as part of their Region. Stephen Franks noted that typically committee members do not have an additional vote.

The consensus at the meeting was that each Region could determine, as they saw fit, how their vote was cast and that it should not be mandated in the rules how this should be determined. It was noted that when voting for elected members, as each position is voted on separately, a Regions vote would be diluted if it were split. In addition, the Regional delegates would have the best view of who the best candidates are.

It was also noted that the ability to cast proxy votes is only relevant for Society General Meetings when the Regional delegates can't attend the meeting. Proxy votes are required for voting at Club, District and Regional level. It was clarified that that voting is just for fully paid NZYF members.

Sarah also noted that if you want to set up something in the future and you bring in older people it doesn't allow the power to be lost.

Amendments to remit

The addition of “A Region may, but is not obliged to, cast some of its votes for and some against a resolution.”

Elliot Scott / Angus Brown

Carried unanimously

Amendment to remit

The addition of “for voting at society general meetings, this provision applies to allow only a Regional delegate nominated under clause 12.5 to cast a proxy vote”

Elliot Scott / Christine Christiansen

Carried unanimously

3) Ability to resign or be removed from the Board

Richard Fowler acknowledged that there is the option for Board Members to resign – there is nothing stopping resignations. Page 15 clause 3.5 gives the Board discretion to delegate back to National Committee to appoint a replacement Board member for the remainder of the term. Under the draft rules, there is also now a provision to remove a board member if there are issues with performance.

Amendment to remit

“Schedule 1 clauses 3.5 a & b: replace “duration” with “remainder”.

Karyn van Wijngaarden / Pete Gardyne

Carried unanimously

4) Schedule 1, Clause 5.4 and 6.8 - Employee being adopted onto the board

Richard Fowler commented that it is not overly common in NZ to have a CEO on the board but it is really important to have the NZYF CEO on the NZYF board as the more united we are the stronger we are. The option is there to co-opt a staff member on to the board and the current CEO has been co-opted and as he is on the coal face a fair bit it has worked well.

Richard followed by clarifying the process for setting staff members’ salaries; an HR committee has been set up and they set salary levels so it is quite a clear line between the staff processes and the Board.

There was discussion on the voting rights of Board Members – under the proposed changes, all Board members have full voting rights, the same as under the current rules. Sarah von Dadelszen noted that an Independent or Co-opted Board Member would be wary to join if they did not have full voting rights as they would be bound by a collective decision. It would make it difficult to get people to fill these positions if they had to abide by the decisions of the board and be a participating member when they can’t vote.

It was clarified that the CEO appoints the secretary for each Board meeting and they have to be approved by the Board Chairperson.

5) Erica proposed that the word ‘is’ in Schedule 1, clause 9.2 line 4, page 17 be removed.

Amendment to remit

“That the first “is” be removed from the sentence “...If the Board ~~is~~ meeting is not to be held in person (for example by conference call),...” in Schedule 1, clause 9.2 line 4, page 17”

Paul Olsen / Jason Hoyle

Carried unanimously

Original Remit – Adoption of Revised Rules including new amendments

“That New Zealand Young Farmers adopts the revised Rules as circulated and presented at the meeting including the amendments discussed and approved at the meeting.”

Elliot Scott / Paul Olsen

Elliot Scott spoke to the revised remit. He urged the members present to adopt the changes to enable the organisation to move forward with certainty. He outlined again the reasons for the changes and noted the importance of approving the changes at this time.

Carried unanimously

Richard Fowler acknowledged the work undertaken by Vanessa, Cole, Paul, Karyn and Elliot as well as the other members of the Board. He then thanked everyone for taking time to read, understand and approve the changes to the rules.

Nominations were then called for NZYF Board Members

Erica Van Reenen

Vanessa Hore

Paul Olsen

Angus Brown

Cole Groves

Jason Hoyle (mailed in prior)

Rebecca Hollingsworth / Richard Fowler

Peter Gardyne / Keri Moore

Mark Lambert / Cole Groves

Andrew Cammock / Scott McKenzie

Paul Olsen / Lisa Chamberlain

The meeting closed at 11.29am

Special General Meeting, NZ Young Farmers
c/- Richard Fowler
fowlerr@netsmart.net.nz

9 May 2011

Dear Richard and attendees,

Please consider this my written apology for attendance at the Special General Meeting, 21 May 2011 where the draft rules for the NZ Federation of Young Farmers Clubs Inc will be voted on.

I have read the proposed rules and have some concerns outlined below.

- There is a lack of consistency in the age limit between Young Farmer members, contest and board members. These should be aligned within reason.
 - 6.10 states that membership of Society Members (except Life Members, Co-opted Members, Advisory Members, Honorary Members and Elected Board Members) shall cease, automatically, at the end of the calendar year of their 31st birthday;
 - 26.2 states that entry into the Contest is restricted to Society Members only who are members of a Club and have not had their 31st birthday on the final day of the Contest; and
 - Schedule 1, 3.1(b) states that an elected board member must be less than 31 years of age, however if they turn 31 during their term, they can continue until the end of that term.

As the term of the board is two years it is understandable that should a board member turn 31 during their term that they complete their term. However, I see no reason to have different rules between Contest and Society membership. Many members join the Society so they can compete in Contest and therefore Contest and membership rules should align.

I propose amending the contest rule to be consistent with society membership and enable all society members to compete in Contest as stated below.

26.2 Entry into the Contest is restricted to Society Members only who are members of a Club.

By stating that contestants are Society members it automatically means they are competing prior to, or within the calendar year of their 31st birthday.

If an amendment is not made, I would like an explanation as to the different treatment between Society Members and Contest entrants.

- The voting procedure and proxy voting outlined in 12.5 and 12.6 is unclear. 12.5 paraphrased is that each Region is entitled to 'x' amount of votes depending on membership numbers of their Region. Two representatives from the Region are then appointed to vote on behalf of the Region representing to the best of their abilities, member's preferences.

Could you please clarify that this means? Should three quarters of the Region wish to vote for one candidate and the remaining quarter another, does that split the Regions total votes for the two candidates or is it simply a majority vote for the candidate with the most votes?

If the answer is the latter, then this does not represent member's preferences. The rules need to be clear as to how a Regional Representatives represent the views of the Region.

This method seems to combine a single vote per member system, with the old system of 1 vote per 30 members as decided by each Region, making a complex and unclear system. If the intent is that each member gets a say, a postal vote would be a simpler, clearer system with fair representation of members. It will also ensure consistency between regions (i.e. some regions may decide to allocate all their votes based on the majority, and some may split theirs in a more representative way).

In addition, the proxy voting is unclear. If a member sends in a written apology and appoints someone to vote on their behalf, when would this proxy cast a vote given that voting is made by two representatives from the Region and not by individuals?

A two year term seems a good idea for consistency and continuity on the board. However, if an elected representative is doing a poor job or is no longer enjoying the job then being bound by a two-year term could be detrimental for the Society. The one year term means that the Members of the Society (who the Board are elected to represent) can determine if Board Members are doing an adequate job and should stay on for continuity.

- Schedule 1, 5.2 states that a Board Co-opted Member may be a Society Member or an employee of the Society.

I have two concerns with an employee being a Co-opted Board Member. Firstly, given that the Board appoints the CEO who in turn employs staff and is accountable to the Board, this is likely to represent a conflict of interest if an employee is co-opted onto the Board, particularly the CEO. I understand the need for the CEO to attend some meetings.

Secondly, 6.8 states that employees of the Society can be Society Members but are ineligible to become an office holder (being a chairperson, vice-chairperson, secretary or treasurer) ("Office Holder") of any Division. Thus, employees cannot be in a position of authority at club, district or Regional level but can hold a position on the board, the highest authority of the society. This seems to be contradictory given that the Board represents the members of the society not the employees.

- My final point is a small error in Schedule 1, 9.2. There is an extra 'is' on line 4. See below.

"...If the Board is meeting is not to be held in person (for example by conference call),..."

Thank you for considering the points I raise, I look forward to seeing how they are addressed in the minutes of the meeting.

Kind regards,
Erica van Reenen