



DRAFT MINUTES

VICTORIAN FARMERS FEDERATION

ANNUAL GENERAL MEETING #45

Telstra Auditorium, 242 Exhibition Street, Melbourne
Wednesday 20 February 2024 at 11:00 AM

Members in Person:

Emma Germano	Danyel Cucinotta	Ashley Fraser
Craig Henderson	Colin Peel	Ryan Milgate
Colin Coates	Ian Morris	Andrew Weidermann
Julie Weidermann	Jason Mellings	Scott Young
Meg Parkinson	Bernie Free	Anthony Mulcahy
Eileen Jorgensen	Michael Morcom	Geoff Kendall
Andrew Leahy	Barry Batters	Ailsa Fox
Gavin Williamson	Brett Hosking	Alan McKenzie
Ashleigh Brooks	Bruce Vallance	Amanda Hough
Georgina Gubbins	Chris Carrigan	Geoff Akers
Glen Brittnell	Garry Everett	Paul Petering
Greg Mirabella	Tim Kingma	Paul Weller
Helen Carrigan	Stephen Henty	Pauline Henderson
Natalie Akers	Michael Crisera	Peter Lang
Peter Miller	Ross Johns	Bradley Venning
Peter Touhey	Scott Johns	Jade Egan
Russell Coad	John Timmins	Kaye Touhey
Bridgette Goulding	John Gleeson	Peter Star
Robert Campbell	Rod Armstrong	John Wyld
Mena Curnow	David Wright	Roger Nolan
Ben Bennett	Tom Dooley	

Members by Proxy:

Proxies were withdrawn.

Other:

James Downing Special Skills Director

Gary Bottomer, Company Secretary
Delshea Sohhee VFF
Amanda Foss VFF
Tali Mason VFF
Andrew Miller (Media)

Brendan Tatham, CEO
Charles Everist VFF
David Wojacki VFF
Damien Wurzel (VFF Legal)
Libby Price (Media)

Ante Dragovic, CFO
Ryan Moloney VFF
Glen Ryan VFF
Steven Tang (VFF Legal)
Morgan Lane (Lawyer – other)

Apologies:

Gerry Leech
Nathan Free
Jeff Kernow
Penny Jorgenson
Brendan Roughhead.

Bruce Knowles
Terry Morgan
Angus and Josie Zilm
Marshall Rodder
Ian & Kathy Hastings

Craig Dwyer
Daniel Mead
Pat Klim
John Keeley

DRAFT

1. WELCOME, PRESENT, APOLOGIES

1.1 The CEO opened the meeting at 11:00 AM.

1.2 The CEO welcomed all the attendees: members and thanked Telstra for the use of their facility and introduced Nick Stacpoole, Manager Rural and Regional Partnerships Telstra.

Nick welcomed all and provided an overview of Telstra's involvement and introduced Emma Germano.

Emma Germano welcomed all and presented the Agenda for the AGM and advised all in attendance that the meeting was being streamed live, was being recorded, and that the Media are present at the meeting. She added that questions are reserved for the voting members of the VFF.

2. QUORUM

2.1 The President confirmed that the 45th VFF AGM could proceed as there was a quorum of members present by person.

2.2 VALID PROXIES

Irregularities with proxies and the inability to certify the proxies were noted.

3 MINUTES of the 44th VFF Annual General Meeting held on 15 February 2023

3.1 Approval of previous minutes of the 44th VFF Annual General Meeting held on the 15 February 2023 was withdrawn.

4. PRESIDENT'S REPORT

4.1 President's Verbal Update

The President's report was tabled, with the following items highlighted.

The President opened the presentation by acknowledging the division between members about the requirement by Directors to meet their fiduciary duties and make serious decisions about the finances of the VFF and emphasised the need to maintain trust and safety that is the foundation on which the VFF is built upon. She requested that all in attendance be respectful in asking questions and discussing topics and called for unity.

Further related information discussed included:

That proxies had been observed by the Returning Officer as subject to significant irregularities, with historical proxy collection practices proven unviable to the extent that the proxies could not be certified. As a result, the Board had withdrawn all resolutions.

The President highlighted that the VFF and all members agree that the purpose of the VFF is advocacy for farmers, regardless of any disagreements between members about financial decision and strategic direction.

The President highlighted the financial challenges being faced by the organisation at this time, including court cases, legal representatives, and the culture of arguing amongst members and the organisation, and responding to media, which is taking away the focus of providing advocacy for farmers.

The President closed with the request that the members specifically identify areas of disagreement so the Board could address these issues, and discussed the priorities relating to advocacy moving forward, taking into consideration the resources and capacity of the VFF.

She went on to thank the internal staff and the Board of the VFF for their contribution and efforts in difficult circumstances.

5. CEO REPORT

5.1 CEO's Report

Dr Brendan Tatham

The CEO's report was taken as read and the following matters were highlighted:

- The focus of the organisation was to rebuild governance and corporate systems.
- All policies approved by the Board are available on the website.
- Focus on internal systems to support members and business improvement strategies including the centralised management of capability continued to allow removal of duplication and created efficiencies to deliver services across the organisation.
- New processes for policy analysis and advocacy are in place and relationships with government refreshed.
- The VFF is asset rich and cash poor, resulting in all decisions requiring the consideration of the financial return on investment.
- The new membership packages have been taken up by around 50% of relevant members.
- A significant increase in media mentions over the last 12 months starting to impact on influence.

The CEO closed with thanking the Board and staff of the VFF for their dedication and hard work. He outlined that some member behaviours towards staff are an OH&S risk. The newly created People & Culture strategy supported by Member Terms & Conditions, Grievance and Code of Conduct policies outline sanctions to assist in the management of these issues.

The CEO outlined the role of Returning Officer and explained the inability to certify the proxies as the independent and direct will of members, ultimately resulting in the decision by the Board to withdraw the resolutions.

6.0 CHAIR OF THE RISK, FINANCE & AUDIT COMMITTEE'S REPORT

6.1 Risk, Finance and Audit Committee Report

The Risk, Finance and Audit Committee Report was tabled, with the following items highlighted:

- The financial situation has improved following difficult decisions by the Board. However, even with a small surplus of \$404k, there is still a long way to go.
- Revenue decreased by about \$800k including membership subscriptions of about \$220k and levies by \$241k, and project income by about \$1m. It was noted that rent had increased by over \$100k but overall income is a key issue moving forward. Investment income was down \$60k following sale of some investments due to the risk environment. Commercial and other income increased by about \$290k.
- Employee expenses had decreased by about \$900k with a continued focus on efficiency. Compensation to elected officials should be lower in the future with a focus on volunteerism. Project and operational expenses had reduced by \$1.5m. Some building expenses were also up. There was an increase in interest as a direct increase in interest rates. Savings have been achieved for example through tightening of credit card distribution and expenditure.
- Operating cash-flow had increased from a deficit in 2022 of \$1.8m to a deficit of \$204k in 2023. However, there is still work to do to ensure the long term financial sustainability of the VFF, especially through streamlining internal processes.
- Legal fees have increased significantly in 2023 and highlighting an area of focus.
- The balance sheet has improved through the retirement of debt.

The Board has increased its focus on risk which includes cyber security risk as the VFF moves from a server base to a cloud system.

The floor was opened for questions.

Question	Answer
<p>M Parkinson Questioned the reporting of commodity funds</p>	<p>The accounts are prepared for the VFF as a whole organisation. The deposits are grouped together under one class of assets. Internal finance management continues in accordance with the constitution.</p>
<p>R.Johns Questioned the irregularities with the proxies</p>	<p>The Returning Officer reported irregularities with provision of proxy holders submitting a larger number of proxies and the inability for them to be certified. Over 1,000 proxies were received, with about 15% invalid and a further 20% uncertifiable.</p>
<p>A. Weidemann Made a statement about the collection of proxies and their use in a ballot</p>	<p>The constitution prescribes that a secret ballot must be held if requested by 5 members which is when proxies would be considered. That circumstance has not occurred at this meeting.</p>
<p>P. Weller Questioned the new member package fees</p>	<p>The Board consulted with members for over 18 months and modelled membership packages that could overcome the barriers to membership identified, including ease of becoming a member, costs, and succession of elected officials through younger attracting members.</p>
<p>P. Weller Questioned the impact of the sale of assets</p>	<p>The sale of shares resulted was valued at about \$870k</p>
<p>B.Goulding Questioned the cost of the collection of proxies</p>	<p>About four staff collated and assessed proxies for about four days. These costs are part of staff costs on the 2024 P&L.</p>
<p>B Free Made a statement about the proxy collection process</p>	<p>The Corporations Act states that within 48 hours of the meeting starting, a proxy can be validly given. VFF put the deadline on the proxy form to encourage people to bring them in earlier to allow for counting. The constitution states 5 days for standing proxies, but this is inconsistent with the Corps Act. Given that the Corps Act is more lenient, VFF have to follow the Corps Act, so therefore 48 hours</p>

<p>B Free Questioned the accrual of the disputed ADF membership fee and made a statement about sundry expenses</p>	<p>An allowance for this cost is accrued – note 5, affiliation fees</p>
<p>A.Weidemann Questioned how proxies received are being managed</p>	<p>The proxies are secured at Farrer House. Legal advice is that proxies specific to this meeting will lapse and enduring proxies require verification to enable them to be utilised in future meetings</p>
<p>A Weidemann Made a statement about the new membership packages</p>	<p>The decision to implement membership packages and fees included consideration of member survey results that a compulsory levy model was the least preferred option along with the need for legislation that government indicated would not occur unless overwhelming supported by all Victorian farmers.</p>
<p>A Weidemann Made a statement about the strong profitability of grain farming, the opportunities for the VFF to increase revenue, and that media were permitted into the AGM</p>	<p>All opportunities to increase revenue from membership packages and other sources were under consideration.</p>
<p>R.Johns Proposed a resolution about proxies</p>	<p>The resolution was deemed invalid</p>
<p>A Weidemann Made a statement that the invalid resolution should be debated and sought a point of order</p>	<p>The point of order was deemed invalid</p>
<p>A Weidemann Made a statement about the point of order and invalid resolutions</p>	<p>The invalid point of order and proposed resolutions from the floor were confirmed as invalid. Any resolution to be put to an AGM must be put in writing to the CEO as per the Constitution 40 days before the meeting. There is no general business or motions being taken in this meeting.</p>
<p>B Bennett Questioned the accrual of the disputed ADF membership fee</p>	<p>An allowance for this cost is accrued – note 5, affiliation fees</p>

<p>C.Coates Questioned reporting of the 2002 agreement between VFF Property Trust Ltd and VFF Ltd, the value of the trust asset and fulfillment of the agreement's consultation requirement.</p>	<p>The sale of assets is reported in the accounts and used to pay down debt. The residual is invested in term deposits. The decision to sell assets was made unanimously by the Board following the required consultation.</p>
<p>B.Batters Questioned the proxy collection process</p>	<p>The VFF provided an open proxy form that traditionally has been submitted by proxy holders. With a large number of proxies this process is proven unviable. The Chair with Board endorsement personally distributed using technology a pre-filled proxy with the position recommended by the Chair and Board.</p>
<p>A.Fraser Made a statement about the risk of previous invested asset.</p>	<p>The Board made a decision to sell the asset based on international market risk and to the asset and increasing interest rates and cost of debt.</p>
<p>B.Vallance Made a statement about reporting of likely developments in the operations of the consolidated entity</p>	<p>Outstanding legal matters which we cannot be sure about have been considered, until they transpire.</p>
<p>B.Goulding Made statements about payment of member fees and disputed ADF membership fees</p>	<p>Days receivables is over 90 days which is not acceptable for any business. This process is being followed up by management to reduce this to under 60 days. The ADF Constitution enables their Board to set membership fees for which VFF has not received a justification.</p>
<p>G.Everitt Questioned the cash at hand of about \$2.4m and made a statement about the membership packages</p>	<p>This relates to the accounting definition of part of the trust asset.</p>
<p>M. Lane Made a statement about the 2 of the proxies and sought to move a resolution</p>	<p>The Chair gave the visitor the right to speak. The resolution was deemed invalid.</p>
<p>A. Weidemann Made a statement about the agenda of the AGM and sought to move a resolution.</p>	<p>The resolution deemed invalid as no member business had been submitted. The auditor may be appointed in accordance with the Corporations Act.</p>

R.Campbell Made statements about the appointment of directors, dairy member levies and presumed statement of a Federal Court Judge.	The statement regarding director appointments was incorrect
A. McKenzie Made a statement about media commentary	Media commentary about the database was corrected.
B.Batters Made statements about the agenda and electricity transmission lines	Cards were provided to financial members so they could be identified for the right to speak. Clarification was provide about general policy and advocacy.
G. Gubbins Questioned plans for future membership	A membership drive is planned for the middle of the year.
G. Kendall Questioned a ruling made by a Federal Court Judge	The judge made his decisions and made a ruling in accordance with the law.
R. Johns Made a statement about director appointment and replaceable rules, sought that an invalid resolution be debated	The provision of 201.H is a replaceable rule under the Corporations Act and the Constitution of the VFF clearly stipulates how independent members are appointed to the Board of the VFF. The Chair read a media transcript provided by the member.
B Goulding. Questioned the benefits of the membership packages	The membership package benefits are defined and published
B Goulding Made a statement about the location of the meeting	The location was chosen to allow members to most easily participate.
A Mulcahy Made a statement about the agenda	The organisation is governed by a Constitution and the Corporations Act. that is complied with by the VFF. Directors make decisions in accordance with the law including fiduciary requirements.

7. APPOINTMENT OF AUDITOR 2023

7.1 The resolution for the appointment of the Auditor for 2024 was withdrawn.

8. END OF MEETING

The Chair closed the at 1:55 PM by thanking all present.

Emma Germano, Chair