

Down-To-Earth (Vic) Cooperative Society Limited

## Special General Meeting

### Minutes

Date: **Thursday 29<sup>nd</sup> June, 2017**

Time: **7.30 pm**

Venue: **CERES, Learning Centre Rm,1-2 Lee St, Brunswick East  
VIC**

Online: <https://dte.coop/live.meeting>

Meeting Commenced: 8:15pm

<b>1</b>	<b><u>Election Of Chair</u></b>	<i>procedural</i>
	1.1 Confirmation of Agenda: Denise Banville 1.2 Confirm Minute Keeper: Coral Larke	
<b>2</b>	<b><u>Attended</u></b>	<i>procedural</i>
	<ol style="list-style-type: none"><li>1. Araki Mikoto</li><li>2. Banville Denise</li><li>3. Bennett Emma</li><li>4. Brogan Elle</li><li>5. Cruise David</li><li>6. Cruise Peter</li><li>7. Hales Ian</li><li>8. Gray John</li><li>9. Ernst Kath</li><li>10. Ernst Vanessa</li><li>11. Heenan Tim</li><li>12. Larke Coral</li><li>13. James Joel</li><li>14. Nissen Lars</li><li>15. MacPherson Robin</li><li>16. Mac Pherson Daniel</li><li>17. Mac Donald David</li><li>18. Mathews Malcolm</li><li>19. Neal Angela</li><li>20. Pinney Bruce</li><li>21. Padaani Walter</li> <li>22. Reed Shardae- Breeane</li><li>23. Reid John</li><li>24. Reid Troy</li><li>25. Rasmussen Mark</li><li>26. Robinson Tom</li><li>27. Royal Don</li><li>28. Schartz Martin</li><li>29. Scouse</li></ol>	

	<p>30. Shipero Kate  31. Shipperlee Aaron  32. Sparandoo Alessandro  33. Tarr Jenni  34. Tunney Kristen  35. Waldram Grant  36. Wilbert Pablo  37. White Chase</p>	
<b>3</b>	<b><u>Solicitors advise on voting rules</u></b>	<i>Denise Barville</i>
	<p>To pass a motion there is a three way process;</p> <p>Best outcome: 100% consensus, no objections.</p> <p>Failing to achieve a consensus: A show of hands of 60%.</p> <p>Failing to achieve 60% vote: An ordinary resolution can be passed with a majority vote greater than 50% present and voting.</p> <p>For abstainers their vote is not counted.</p> <p>People who are present on SKYPE are eligible to vote.</p> <p>For changes to existing rules the process is to go to the registrar for approval, then members get 21 days notice of the special resolution.</p> <p>The way the June 2017, SGM agenda is crafted does not comply to rules due to not having a second seconder. The spirit of the rules is that the motions need to show it has the co-operative members support.</p> <p>SGM June, motions 3 to 10 are seconded by 2 people, but do not declare the name of the proposer. The remaining motion 1, 11, 12, 13, 14, &amp; 15 do not comply. Regardless, on this occasion it was decided by the members that the motions will be allowed. Future motions written on SGM and AGM will need to demonstrate a proposer and two seconders and mailed out with enough time for feedback on propriety.</p>	
<b>4</b>	<b><u>Motion 3. Voting system proposal for election of directors</u></b>	<i>Troy Reid</i>
	<p><i>That the Board be required to use a reputable and secure online voting system for the election of directors at General Meetings to ensure voting integrity and ballot confidentiality and that the single Transferable Vote voting system (used within Australia) be used to calculate results. And for the voting results tally to the public and published on DTE websites:</i></p> <p><b>David Cruise's Amendment:</b> That the Board be requested to use a reputable and secure online voting system for the election of directors at General Meetings to ensure voting integrity and ballot confidentiality and that the single Transferable Vote voting system (used within Australia) be used to calculate results. And for the voting results tally to the public and published on DTE websites be recommended: <b>David Cruise:</b> Withdrew his amendment.</p> <p><b>Kath Ernst:</b> The system can be manipulated.</p> <p><b>Mark Rasmussen:</b> Wants a more modern system be applied.</p> <p><b>Lindy Hunt:</b> Last AGM 13 people stood with 4 spaces available. With the preferential system the voter would have a say as to who are elected.</p> <p><b>Ian Hales:</b> In favor for the motion, people don't understand the system. This system is used in local government elections and it is a fairer system.</p> <p><b>Shardae Reed:</b> The current system is not fair enough</p> <p>Troy Reid: Michael Hill will still retain his function of running the election. We can run a trial</p>	

election to test the system.  
Those **For** 19 Those **Against** 13 Passed by majority.  
Percentage 59.4% in favour.

## 5 **Motion 4. Organisational Structure**

Troy Reid

*That the board be required to adhere to DTE rules, in particular rule 38, which limits its role to a non-executive Board, and that all other committees and workgroups of the co-operative shall be a subcommittee of the four Standing Committees of the Board as defined in rules 47, and notwithstanding rule 47 (16) (ix) which enables the Board to consider any matter of liability of the Board, that should the Board require a committee be stabilised that a request of that nature is communicated to a Standing Committee of the Board with clear terms of reference." The motion is to reinforce a separation of powers between the executive and non-executive, The current arrangement (bookkeeper reporting to the Board) compromises the separation of powers.*

Members in the room requested: Motion 5 to be heard before motion 4. Those For 19: Those Against 13. Motion failed due to not having a 60% majority. This decision is not an ordinary resolution which needs 14 days notice, so the 60% rule will apply.

### **Motion 4.**

**Troy Reid:** Will consider withdrawing motion 5 after motion 4 is carried.

**Kath Ernst:** Just because Troy said he will consider withdrawing motion 5 doesn't mean that he will.

**David Cruise:** Read 31st, April 2015 Minutes. (*incorrect date given no 31 days in April*) The board gives delegatory authority for the finance subcommittee to act as a finance group for the co-operative. Signed Simon Byers, Ian Hales, Troy Reid, Malcolm Mathews and Cheryl

**Troy Reid:** The resistance to this motion 4 highlights that the board thinks it has the moral authority to undermine committees.

**Robin Mac Pherson:** The Board thinks it is working of behalf of the committee, it is the members who work on behalf of the co-operative.

**Don Royal:** The auditor is not appointed by the board, the auditor reports to the members not the Board. The point of an auditor is to report the accuracy of financial documents, they must be independent. Is worried that the finance committee will be under the power of people who do not understand finance.

**Grant Waldram:** It is clear that the crafting for motion 4 leads to number 5. The wording enables 4 & 5 to go hand in hand. Motion 4 should be struck out because it asks members to adhere to its own rules it can't be voted against.

**Mark Rasmussen:** People think that this motion is a booby trap, smoke and mirrors to ensnare an outcome.

**Emma Bennett:** Point 4 they are our rules we can't go against them Point 5 Bree works well with Malcolm Mathews and will continue under the current arrangement. Because people in the room don't understand the process it is best to defer motion 5 and keep talking about it. The motion is asking for changes that people don't understand. If people don't like the changes then we can vote next AGM to change the rules.

**Malcolm Mathews:** Motion 4 reinforces our rules. The work he is doing with Bree is working in the best interest of the co-operative, The set up in the past and with hindsight based on the set up, may not have been the best because when the directors appointed the bookkeeper the finance committee did not see the letters of appointment, so it was an example of when the Directors did directly interact with the bookkeeper over the co-operative, when a report arrived it was the directors who asked the bookkeeper to look at that report and did not go to the Finance Committee first. Given that the bookkeeper has only been with DTE for 3 months we need to leave the situation as it is and at least until the end of this financial year as there is a lot of work needed to be done. If motion 5 can be withdrawn then ongoing discussions between the Bookkeeper, Board and Finance Committee can continue to resolve the intention of motion 5. If we leave the arrangements as they are then that allows time to get the financial reports out and for the auditors to do their work. The system is working in the

interim. Malcolm prefers motion 4 being left as it is and 5 be withdrawn.

**Those For: 23 Those Against: 5 Motion Carried**

Carried with 82%

<b>6</b>	<b><u>Motion 5. Finance Committee / External bookkeepers to be managed by finance</u></b> <i>That the Finance Committee is confirmed to be a subcommittee of the Organising Committee with any external bookkeepers or accountant/bookkeepers or accountants contracted to be managed directly by the Finance Committee.</i>	<i>Troy Reid</i>
	<b>Troy Reid</b> withdrew the motion	
<b>7</b>	<b><u>Motion 7. ConFest Committee Budget</u></b> <i>Original Motion: That the organizing Committee be authorised to appropriate up to \$480,000 for financial year ending 30<sup>th</sup> June.</i>	<i>Troy Reid</i>
	<b>Troy Reid:</b> Due to the facilitators summit it was proposed to suspend an attempt to hold a Summer ConFest. So the amended motion has subtracted the costs involved for the summer festival. <b>Amended Motion</b> That the organizing Committee be authorised to appropriate up to \$260900 for financial year ending 30 <sup>th</sup> June.. No objections to amended motion. <b>Passed by consensus.</b>	
<b>8</b>	<b><u>Motion 8. Organising Committee Budget</u></b> <i>That the organizing Committee be authorised to appropriate up to \$115.000 for financial year ending 30 June 2018.</i>	<i>Troy Reid</i>
	<b>Those For 29 Those Against 1 Motion Carried</b>	
<b>9</b>	<b><u>Motion 9 Market Committee Budget</u></b> <i>That the Market Committee be authorised to appropriate up to \$3000 for financial year ending 30<sup>th</sup> June 2018.</i>	<i>Troy Reid</i>
	<b>No objections Motion Carried by consensus</b>	
<b>10</b>	<b><u>Motion 10, Lease of Bylands</u></b> <i>That the Organising Committee be instructed to commercially lease the Bylands property and are authorised to pay all related costs incurred in the process.</i>	<i>Ian Hales</i>
	<b>Marty Schwartz</b> Objects because we have passed a motion that no live stock be held on properties. Emma Bennett: Her motion for restricting agistment was for the Woorooma property only. Bylands was not considered due to the different circumstances. Supports selling Bylands because of the state Bylands is in. <b>Lindy Hunt:</b> The reason we did not sell Bylands was because we had tenants living at Bylands. We should revisit selling Bylands. <b>Mark Rasmussen:</b> We have kept the property in a derelict state, there was supposed to be a working bee that never eventuated. Woorooma is a priority, with the recent problems at Bylands it has been put in the too hard basket and supports selling or leasing the property. Currently it is a big mess and needs a working bee, anyone who leaves a property in that state then they dont deserve to own it. <b>Kate Ernst:</b> We should not make a decision based on one real estate agents advice, we need to know more about it.	

	<p><b>Troy Reid:</b> If we lease the property we dont have to pay rates. It will be pure profit.</p> <p><b>David Cruise Amendment:</b> That the Organising Committee be instructed to commercially lease the Bylands property and are authorised to pay all related costs of a maximum of up to \$10.000 be incurred in the process.</p> <p><b>Marty Schwartz Amendment:</b> That the Organising Committee be instructed to commercially lease the Bylands property and are authorised to pay all related costs of a maximum of up to \$10.000 be incurred in the process. that consistent with previous resolutions that no agistment or competitors on the site. <b>Kate Shapiro</b> seconded. <b>Objections:</b> Kate Shapiro</p> <p><b>Kate Shapiro</b> Objected to Marty's amendment regarding competitors, competitors should be allowed to apply.</p> <p><b>Mark Rasmussen:</b> Objected to Marty's amendments due to it not being in the spirit of the original motion. It is a business arrangement that DTE cannot discuss.</p> <p><b>Ran out of time: Motion deferred</b></p>	
<b>11</b>	<b><u>Defered Motions To 6<sup>th</sup> July</u></b>	<i>Procedural</i>
	<p>Motion 10. Leasing Bylands</p> <p>Motion 11. Legacy Membership</p> <p>Motion 12. Life membership be incorporated into rules amendment within 12 months.</p> <p>Motion 13. That DTE put aside \$35,000 for infrastructure works</p> <p>Motion 14. ConFest Committee be allocated \$50.000 to conduct a spring 2017 ConFest Gathering</p>	
<b>12</b>	<b><u>Meeting Ended</u></b>	<i>Procedural</i>
	11.45 pm	
<b>13</b>	<b><u>Next Meeting</u></b>	<i>Procedural</i>
	<p>6<sup>th</sup> July</p> <p>7.30 SGM</p>	