



VICTORIAN FARMERS FEDERATION

43rd VFF AGM

Minutes

23 February 2022 @ 11:30

Zoom

01. Welcome, Present & Apologies

- 1.1 The Chair opened meeting at 11.37am
- 1.2 The Chair welcomed all attendees: members, directors, staff, Tony Pittito - Audit Partner from Grant Thornton
- 1.3 Apologies: Christine Plant
- 1.4 Reminder that the AGM papers being
 - a) the minutes of 42nd VFF AGM
 - b) the audited VFF Financial Report for the year ended 30 September 2021 and
 - c) the VFF Annual Report for 2021were emailed to registered attendees within the last 24 hours but are also available for viewing on the VFF website

02. Quorum - A quorum shall be 30 members personally present or by proxy

- 02.1** It was agreed that the 43rd VFF AGM could proceed as there was a quorum of members present in person or by proxy.

Members present: 32

Chair/ President

- 1. Emma Germano – President*
- 2. Danyel Cucinotta – VICE President *

VFF Board Attendees:

- 3. Andrew Dix – Independent Director
- 4. Ashley Fraser – Grains President/ Director*
- 5. Paul Mumford – UDV President / Director*
- 6. Zena Burgess – Independent Director
- 7. Nathan Free – Horticulture President / Director *
- 8. Tim Kingma – Intensives President / Director *
- 9. Steven Harrison – Livestock President / Director *

VFF Staff Attendees:

- 10. Jane Lovell – CEO *
- 11. Gary Bottomer – Company Secretary
- 12. Lyndal Humphris*
- 13. Tony Harris
- 14. Anita Donnelly
- 15. Peter Costello
- 16. Charles Everist
- 17. Ryan Moloney
- 18. Delshea Sobhee

Guests Attendees:

- 19. Tony Pittito

Members:

- 20. Andrew Leahy *
- 21. Ashleigh Bartlett*
- 22. Bruce Knowles*
- 23. Colin Peel*

24. Darly Bird*
25. David Gibb*
26. Jamie Pepper*
27. Jason Mellings*
28. Katherine Myers*
29. Kaylene Baird*
30. Lachie Sutherland*
31. Lisa Mumford*
32. Margaret Brody*
33. Mark Billing*
34. Mark Collins*
35. Matt Gleeson*
36. Peter McDonald*
37. Sarah Parker*
38. Scott Young*
39. Stephen Todd*
40. Celia Scott*
41. Alan Bowman*
42. Benjamin Vagg*

*VFF Members

02.2 Valid Proxies received:

- a) Appointing the Chair of the Meeting (7 proxies)

David Jochinke / Elaine Jochinke / Mary Smeriglo / A Germano / Maria Germano / Bruce Crafter / Paul Peluso

- b) Appointing others – Nil

03. Minutes of the 42nd VFF Annual General Meeting held on 23 February 2021

Members Resolution:

The Minutes of the 42nd VFF AGM held on 23 February 2021 are accepted as an accurate reflection of the meeting

Moved by: Paul Mumford

Seconded by: Tim Kingma

Carried

04 President's Report – Emma Germano

- 04.1 The President referred all attendees to the Presidents Report contained in VFF Annual Report which had been made available to all members on the VFF website.

The Presidents Report as taken as read.

The President highlighted the lingering impacts of the pandemic that have continued to affect almost every facet of what farmers do and how they work but also the pride VFF takes in its members to have remained steadfast in the primary role of keeping Australia and the world fed in these difficult times.

She thanked the Board, Management and Staff and especially the Members for their dedication to the organisation.

CEO's Report – Jane Lovell

The CEO reiterated that it was a challenging year for all but was looking forward to the Farmer Engagement Team and other executives and staff to come out and meet farmers/ members to hear some of the concerns and getting feedback from them.

She reflected on the past year as being a foundational year for her with key achievements being the development by the Board of a new 5-years Strategic Plan underpinned by the development

of the 2022 Annual Operating Plan. A key highlight has been that about 90% of the projects identified in the Operating Plan have been commenced and several have already been completed. She praised the dedication of the 4 General Managers, Luke Hooke, Anita Donnelly, Simon McNair and Robert Taylor and felt confident that this coming year would see a solid commencement toward prosecuting the entire plan.

06 Chair of the Finance & Audit Committee's Report – Andrew Dix

06.1 Mr Dix stated that the strong asset base of the VFF was extremely important and had increased from \$37 million to \$38.5million over the past year and would certainly be utilised to the benefit of members.

06.2 He explained that the strong surplus of the year was evidenced by a Surplus on Operations that was \$400 000 better than budget. This was further boosted by a \$360 000 surplus from the sale of the Investment held by VFF in NFF house.

06.3 Another key driver of the result was the recovery in the share market which led to a recovery in the value of the VFF share portfolio following is downturn as a result of Covid. The net improvement was a strong result of \$600 000.

06.4 AD commented further in saying that whilst it appeared that Operational Income itself was down, this was primarily due by timing of project revenues that do not reflect the change in the operating revenue fundamentals of the business.

06.5 AD complimented the management and staff in the way they managed the restructure of the organisation and under the hard circumstances we were in (covid)

06.6 The major asset of VFF is the building – 24 Collins Street and the Board commission a triennial valuation with the latest being conducted in 2021.

The latest valuation resulted in an increase of \$12 million over the current book value, however, the Board resolved not to reflect that increase in the net assets attributed to members. The reason for that was because of the uncertainty of property valuations in a Covid environment, a sentiment expressed by both the valuers and the VFF Board. The Board made this decision with the knowledge and understanding that the likelihood was that the building has increased in value.

AD confirmed that another further valuation will be done within in the next 12 months and that hopefully things will be a bit more stable and any increase in valuation will be reflected at that point in time.

06.7 AD concluded with the pleasing occupancy rate in the building despite the covid environment and asserted that the VFF had a very strong foundation and will make sure that they utilise it fully in the next year and beyond.

07 Receive and Consider the Financial Report for the Year Ended 30 September 2021

07.1 The Financial Report for the Year Ended 30 September 2021 was tabled. It was noted that there is no requirement for members to approve this report, however, questions were welcomed.

07.2 **Questions specific to the financial report:**

- **Mark Collins enquired about the \$ 916 000 of level of consultancy, and asked if the VFF was now at the staffing level that it hoped to be at?**

The Chair acknowledged that consultancy fees had increased jumped from \$739 344 to \$916 467 but explained that the vast majority of this related to Government funded project expenditure. Such expenditure was specifically required in order to carry out projects objectives and was not discretionary VFF expenditure. It was re-emphasised that the bulk of the consultancy expenditure was not for the core VFF business.

The CEO responded at the second part of that question where she confirmed that the VFF was at the level of staffing required with possible exception that there may be a need for additional admin people in the Farmer engagement team.

- **Mark Collins had further question re how the Share portfolio and dividends are travelling this year.**

AD confirmed that dividends were close to budget albeit that the general level of dividends declared by the market had declined a little but not significantly. It was confirmed that VFF regularly communicates with its brokers and they have expressed confidence that the portfolio is in a good place regarding particularly in light of the current circumstances.

There were no further questions.

08 Appointment of Auditor 2022

08.1 Members Resolution:

That Grant Thornton be appointed as auditor of VFF and its controlled entities for the financial year ending 30 September 2022

Moved by: Sarah Parker

Seconded by: Mark Collins

Carried

- 08.2** The Chair congratulated Tony Pititto from Grant Thornton for another successful year of partnership with the VFF and expressed her gratitude for the good work being done.

09 General Questions:

Kaylene Baird: Does the board have any plans on how to remedy the reduction in Membership?

The CEO stated that this topic was one of the most common discussion within VFF and was a key reason why the VFF had carried the process of surveying members. The major questions to be addressed included the appropriate membership fee and appropriate structure. She explained that results were still being assessed and that there would be a recommendation to the Board.

David G: VFF Peninsula Branch has been asking for a long while to have two additional membership categories: 1]"Friends of Agriculture" for urban dwellers who would like to financially contribute, to assist their feeling of affinity with farmers. Say \$100 or \$125pa. No voting rights, just electronic newsletters. We receive offers from 'Townies' at our Annual Dinner each year. 2] Ag contractors, who provide goods or services to farmers. Say \$275pa and Why is this taking so long?

The President confirmed that there were some recommendations about new categories from the survey and membership categories is definitely something that VFF will consider. It was pointed out that the process requires strategic thought and needed to be considered with a very holistic approach and that all financial implications needed to be considered hence the lengthy process.

Mark Billing: Will the individual commodities have input to the fee structure?

The President confirmed that the mechanism in place throughout the survey gave members that involvement to the fee structure.

Bruce Knowles: What is policy/directive with regard to individual commodity logos in respect of VFF

The President commented that there would be a Logo Style guide coming to the board in a month or so as the board consider the memberships, logos etc as they all fit in together.

Regarding individual using the logo, it was advised that there needed to be an official purpose as to why one would use the VFF Logo or any affiliated logos & it needed to be used to promote the organisation correctly.

Kaylene Baird: Will VFF consider how best to attract the >5000 goat producers?

The President responded that consideration was being given on how to attract any member of any commodity but the question on notice for the livestock group.

Scott Young: Why does the VFF has not get on board with these people (Transmission line from Melbourne to Ararat). We are missing out on supporting the key issues/ farmers around the state

Luke Hooke joined the President to respond to this question and responded that there was a fine line in advocating for farmers on particular issues and that the VFF must take a very holistic approach on the approach to such matters.

Bruce Knowles: Followed the comments of Scott Young. He mentioned the discrimination between the metropolitan and rural areas from Australian Energy regulator and stated that the VFF needed to concentrate its effort to break the issue up. (Co-AG)

The President explained that the number one priority for the Australian Energy regulator was to reduce the cost of electricity for their consumer but the bigger problem is the framework that needed to be in place and that the agriculture sector was not valued sufficiently, either because of the investment or the return on the investments or the size of GDP or the number of people employed, and it is a very narrow mindset that exists around what it seems to be successful / renewable. She encouraged everybody to jump onto the VFF website to see all the policies in place that they adopted/ developed as an organisation.

She ended by stating that the VFF needed to pick the right fights as they burnt a lot of resources/ energy and needed to have this overarching policy to inform the government, regulators and commissioners.

- 10** CLOSE – The Chair closed the meeting at 12.23pm by thanking all present and expressing her appreciation for members engagement throughout the session.