



Members present

Alan Torrance, Amanda Gower, Ann Blair, Ann Cooper, Anneli Torrance, Barry Pulford, Ben Dunbar-Smith, Ben Wildish, Bill Morris, Brian Burrell, Bruce Ward, Charlie Smith, Clive Croy, Colin Bendall, Coral Laughton, Cynthia Ducrot, Darren Burden, Dave Berry, David Wildish, Ennio Veronese, Fritz Drissner, Gary Eng, Gary Gower, Gaynor Thacker, George Murray, Gilbert Whalley, Gillian Urry, Gordon Solloway, Harry Guitry, Hayley Tribble, Heather Pryor, Herman Ducrot, Ivan Hibberd, Jan Veronese, Jancis Hampton, Jaya Prasannan, John Blair, John Thacker, Julie Hooper, Kathy Weaver, Ken Griffin, Kenneth West, Kevin Brewer, Kevin Penberthy, Lilian Van Elk, Lindsay Park, Lloyd Sutton, Lorna Adamczyk, Margaret Harding, Mark Ebrey, Mary Croy, Masako Mizusawa, Michael Dempsey, Mike Flaws, Moira Boyle, Moira Lipyeat, Natalie Trumper, Peter Washington, Ray Salter, Ross Butler, Ruth Wildish, Sally Evers, Sarah Devine, Stephen Lace, Suzanne Kendrick, Trish Lipyeat, Vivien Jones, and Wayne Urry.

In Attendance

- Mark Wells (Chief Executive), Maureen McCloy (National Secretary), Kevin Cameron (Finance Manager), Melanie Evans (Payroll Co-ordinator) and Mari Johnson (Office Administrator).
- Robyn Antill (YHA Australia)
- George Forbes (Partner, Rhodes & Co).

Chair

Ray Salter.

1. Meeting opening

1.1. Welcome

The Chair opened the meeting and welcomed members to Wellington. He then reminded the members of YHA's Aims and Objects as set out in YHA's Constitution and the Standing Orders for the meeting.

1.2. Apologies

Apologies were received from the following members:

Avis Robertson, Barbara Childs, Ben Mitchell, Beverley Kirby, Bruce Bertram, Bruce Church, Christine Kiddey, Cornelia Van der Hulst, Dennis Viehland, Erin Ryan, Gwyn Rogers, Isla Lewis, Jane Lovell, Jim McKie, John Hammond, Lance Kiddey, Martin Gallagher, Melvan Driscoll, Michael Sheehan, Mike Northmore, Mollie Bertram, Peggy Jack, Ross Blackwood, Sidney Lovell, Steve Wakefield, and Wendy Wallace.

86/1 Resolved that the above apologies be accepted.

Ray Salter / Amanda Gower

1.3. Quorum

The Chair advised that the quorum requirement was achieved and that there were 68 Senior Financial Members present, 66 of whom had voting rights. There were also two Branch representatives, each holding two votes, in addition to their own. This meant there were 70 votes available at the meeting.

1.4. Adoption of the Agenda

The Chair advised he would call for items of General Business under agenda item 10.

86/2 Resolved that the agenda be approved with the above additions.

Ray Salter / Darren Burden

2. Introductions

2.1. National Board

The Chair introduced the National Board members present: Darren Burden, Jaya Prasannan, Kevin Brewer, and Hayley Tribble.

He then acknowledged John Hammond's contribution to the governance of YHA. John had recently resigned from the Board and from the role of National Chair due to ill health.

2.2. YHA Australia Representative

The Chair welcomed Robyn Antill, Director of YHA Australia. He emphasised the strong partnership with YHAA, noting the common operations and information management systems.

2.3. Honorary Vice-Presidents

The Chair acknowledged the three Honorary Vice-Presidents present: Bruce Ward, Dave Berry, and Harry Guitry and thanked them for their work during the year.

The Chair noted that Harry Guitry had been an Honorary Vice-President since 2013 and did not stand for re-election this year. He then presented Harry with a small gift in recognition of his contribution to YHA as an Honorary Vice-President.

2.4. Honorary Life Members

The Chair introduced the Honorary Life Members present and acknowledged their long-standing service and on-going interest in YHA.

2.5. YHA Staff

The Chair introduced the YHA staff members present at the meeting:

Mark Wells (Chief Executive), Kevin Cameron (Finance Manager), Maureen McCloy (National Secretary), Melanie Evans (Payroll Co-ordinator) and Mari Johnson (Office Administrator).

2.6. Legal Adviser

The Chair introduced George Forbes and welcomed him to the meeting in his capacity as YHA's constitutional legal adviser.

3. In Memoriam

The Chair asked the meeting to take a moment to remember the passing of members during the last year, including: Elaine Aimers, Elizabeth Beer, Gordon Roberts, Hunter Wilson, Len West, Oscar Nordstrand, Pat Wright, Peter Grenfell, Rex Smart, and Sally Keene.

4. Minutes

4.1. Confirmation of minutes of the previous Annual General Meeting.

The spelling of Oscar Nordstrand's name was corrected.

86/3 Resolved that the minutes of the 85th Annual General Meeting are a true and accurate record of the meeting and be approved. **Ray Salter / Gary Gower**

4.2. Matters Arising

Len West acknowledgement – Ken Griffin queried the note in the 2016 minutes, attributed to the Chief Executive, as he believed it overstated Len West's contribution to YHA; other members and staff had made significant contributions including Jim McKie. The Chief Executive responded that his intention was simply to acknowledge Len's death and his long standing contribution to YHA through a period of great transition. He had not intended to discount the outstanding contribution of other members, in particular that of Jim McKie.

5. Announcement of Election Results

The Chair thanked all the candidates for standing for the elected positions. He confirmed the previously declared results for Honorary Vice-Presidents and announced the National Board election results (*Appendix 1*) as follows:

5.1. Honorary Vice-Presidents

- Bruce Ward, Christchurch
- David Berry, Timaru

Dave Berry advised that he and Bruce Ward wished to record their support for more members to stand for election as Honorary Vice-President. The Chair confirmed he welcomed greater engagement and involvement with the Vice-Presidents role.

5.2. National Board

- Jaya Prasannan, Auckland
- Ken Griffin, Auckland

Jaya Prasannan introduced herself to the meeting and summarised her professional background and long standing membership of YHA.

Ken Griffin advised that it was 25 years since he was last on the Board and the organisation had changed in that time. He expressed his concerns and identified the areas within the organisation which he believed should be improved: respect for the Constitution, and the people, planet, profit focus which should include everyday members. YHA needs to do better to help membership grow.

5.3. Constitutional Notices of Motion

The Chair announced the voting results (*Appendix 1*).

The Chair advised that the Constitution will be updated with the new wording, lodged with the Companies Office and Charities Services, and then published on YHA's website. Hard copies will be available on request.

6. Annual Report and Financial Statements

6.1. Presentation of the Annual Report and the Annual Financial Statements

The Chief Executive presented his report for the year (*Appendix 2*) which was followed by the Finance Manager's presentation of the Annual Financial Statements for the year ended 30 June 2017.

The Chair added further commentary regarding the development during the year of the property long term asset life cycle. This sets out the long term maintenance obligations for our hostel properties including forthcoming repairs and maintenance and commitment of expenditure.

He also identified the Lake Tekapo development as a major investment decision that the Board made during the year and confirmed the Board's commitment for this project. The Chief Executive demonstrated a 3D overview of the new hostel, advising that construction had commenced during the week.

The National Chair then asked for questions:

Membership revenue decline – Stephen Lace

The Chief Executive responded that many membership organisations have free membership now and YHA New Zealand is 'swimming against the tide' by asking members to pay for their membership e.g. YHA Australia is moving to a virtually free membership. Revenue from membership fees will likely continue to decline.

Tekapo debt and likely performance of new hostel – Ben Dunbar-Smith

The Chief Executive advised of the high level of confidence that the new hostel will have strong occupancy. The previous hostel had 40 beds only which routinely, even in the hostel's sub-standard

condition, could have sold three times over. The modelling shows that YHA will receive a significant return on its capital investment in Tekapo.

Impact of the Tekapo development on the Association's debt to asset ratio – Bruce Ward

The Finance Manager responded that the current ratio was 28% and will be 37% once the new hostel at Tekapo is complete. The new \$9.5m debt facility will be used to fund the development. The land purchase was paid from cashflow.

Tekapo as a tourism destination – Dave Berry

The Chief Executive responded that the lease on the current Tekapo hostel has expired and the need to develop on a new site was well known and understood by members. Tekapo has become a year-round destination and there are many new developments underway – YHA is well positioned to benefit from this.

Opoutere performance – Stephen Lace

The Chief Executive advised that on the current seasonal model for the operation of YHA Opoutere, the hostel records a deficit of up to \$20k per year.

Te Aroha settlement – Ken Griffin

The Chief Executive responded that YHA Te Aroha has been closed since Easter 2014 and the building, which has a zero asset value, is situated on Crown land. Management has worked hard to seek a community project to make use of the building; however, DoC has approached YHA regarding a proposal to incorporate it into a Treaty settlement, which has been agreed.

6.2. Adoption of the Annual Report

86/4 Resolved that the YHA New Zealand 2017 Annual Report be adopted. Ray Salter / Bruce Ward

6.3. Adoption of the Annual Financial Statements

86/5 Resolved that YHA New Zealand's Financial Statements for the year ending 30 June 2017 be adopted. Ray Salter / Clive Croy

6.4. Confirmation of Auditors

86/6 Resolved that PwC be appointed as YHA New Zealand's Auditors for the two years ending June 2019. Bill Morris / John Blair

7. General Notices of Motion

Opoutere Member Group

The rationale and timing of the notice of motion was discussed in relation to the Board decision in mid-August to approve the group. The on-going concerns regarding engagement and responsiveness were also discussed.

86/7 Resolved that the YHA National Board shall recognise the Opoutere Hostel Group and consult with them fully in any decision(s) regarding the future of the Opoutere YHA Hostel.

David Wildish / Kathy Weaver

Opoutere Hostel

The notice of motion was discussed at length with a number of members speaking both for and against the motion. Key points included:

- Concern that not enough had been done to ensure the on-going viability of the hostel and insufficient consultation with members had occurred.
- Commentary that members are choosing not to stay at the hostel, hence the low occupancy.
- Whether or not the on-going operation of the hostel was an appropriate expression of YHA's aims and objects, and use of its capital.
- Acknowledgement that decisions to close hostels aren't made lightly and are often difficult however, the Board must look to the long term sustainability of YHA.

86/8 Resolved that the YHA National Board shall defer the decision regarding the future of Opoutere Hostel for 12 months to enable fully informed consultation amongst all interested parties.

**Ken Griffin / Ruth Wildish
38 for / 22 against / 10 abstentions**

8. Award nominations and presentations

The Chair advised that Avis Robertson had been nominated for a Distinguished Service Award:

86/7 Resolved that the Annual General Meeting confers the Service and Merit Award for 2017.

Bruce Ward / Dave Berry

Hayley Tribble, National Board Member, presented the award to Gordon Solloway on behalf of Avis Robertson. Gordon then spoke on behalf of Avis summarising her exceptional contribution to YHA over many years.

9. YHA Australia Representative presentation

The Chair welcomed Robyn Antill to the meeting, whose accomplishments include visiting 100 countries. Robyn then presented the YHA Australia report, beginning with their success in bringing all of the Australian states together under one YHA Australia organisation. She reported on their challenges, their new simple model for membership, Trans-Tasman co-operation, and current hostel developments.

The Chair thanked Robyn for her presentation, acknowledging how similar the issues are between the two countries and the value of working together on solutions.

10. General Business

10.1. General Business

Voting details – Harry Guitry

- There were 1014 valid votes and 36 invalid votes cast in the National Board elections.

Youth participation in the governance and future of the organisation – Ben Wildish

- Every Senior Financial Member has the opportunity to be involved and youth involvement is welcome.

Board elections should be declared null and void as the Board and Management are trying to shut down member engagement – Mark Ebrey

- Elections are controlled and managed by the externally contracted Returning Officer. All queries regarding the elections should be directed to him.

Stewart Island donations should not be re-directed to the Tekapo development – Mark Ebrey

- A refund is available to every donor to the Stewart Island project who does not want their donation redirected to Tekapo.

Constitutional Notice of Motion submission and consultation procedure – Kathy Weaver

- Constitutional Notices of Motion take a long time to correctly prepare so should be advised early. Natural justice in relation to effective consultation with the Board is key.

Voting on the Constitutional Notices of Motion should be declared null and void and re-put to the membership now – David Wildish

- Voting is controlled and managed by the externally contracted Returning Officer and this process can only occur prior to an AGM.

Proposal of a motion of no confidence in the National Chair – Alan Torrance

- This motion was not accepted.

Member Forums, either online or in person, are required as a way of communicating with the wider membership – David Wildish

- Will be added to the Board's Matters Arising for follow up.

National Board Charter is not publicly available to members – David Wildish

- Is an internal document written by and for Board Members. The Chair will investigate with a view to making this available to members.

YHA's Mission Statement no longer references members – David Wildish

- The Mission was reviewed in 2016 and the wording refreshed to be more inclusive of all people, not just members.

YHA's Constitution requires a full review – Ken Griffin

- Ken's discussion paper was discussed at length, in particular the timing of any review in relation to the eventual passing of the new incorporated societies legislation. The Chair advised that the Board will develop a constitutional review process, in a similar manner as for the last full review in 2008. This process had included significant consultation with the membership. Planning for the review will progress throughout the year and will be reported to the next AGM.

10.2. 2018 AGM date and location

The Chair announced that the next AGM will be held in Christchurch on 27 October 2018.

10.3. Meeting ending

As there was no further business, the Chair then declared the 86th Annual General Meeting closed at 2.40pm.