

Te Hanga South Lands Trust – Meeting of Owners

Minutes of Meeting of Owners dated Saturday 16 March 2019

Venue: Okoroire Hot Springs Hotel, Sommerville Road, Okoroire

Start time: 10.16am

Present: Trustees: Alby Knap (Chairman), Carol Thompson, Paki Semmens, Robert Jenner and Paul Christensen (Advisory Trustee)

Owners: Alby Knap, Carol Thompson, Paki Semmens, Eunice Smith, Neville Ngaiti Thompson, Anaru Begbie, Betty Tuhakaraina, Talita Rika, Phillip Smith, Leigh Semmens, Amira King-Semmens.

Non-Owners: Paul Christensen, Mem Jenner, Adrianna Jenner, Vanity Clair, Kelvyn Hui, Joanne Aoake, Helen Tuhakaraina, Teaoturoa Rika, Te Puhaaorangi Rika.

Apologies: Ruthana Begbie, Rangiao whanau, Lorene Ngati Thompson.

Minute Taker: Marama Mariu

1. Welcome

The meeting was opened with a karakia and mihi by A Knap who welcomed everyone to the hui on behalf of the Trust. He also noted a special blessing to Eunice Smith whose husband Henry was on the Trust when Alby was a young man.

2. Apologies:

Rangiao whanau, Ruthana Begbie, Lorene Ngati Thompson.

Moved P Semmens and seconded R Jenner that the apologies be accepted – Carried.

3. Minutes of Previous Meeting of Owners

Reference was made to the minutes of the previous Meeting of Owners, held 19 March 2016 held at Okoroire Hot Springs Hotel. Alby noted that the last meeting was almost called off due to a poor turn out. He thanked those who attended today's meeting.

a. Matters Arising: Nil

Moved R Jenner and seconded P Semmens that the minutes of the Meeting of Owners held 19 March 2016 be approved – Carried.

4. Chairman's Report

A Knap presented his Chairman's report. He paid tribute to his wife Andrea and thanked all who had supported the Knap whanau throughout the last year.

Te Hanga South Lands Trust – Meeting of Owners

Moved A Knap and seconded P Semmens that the Chairman's report be accepted – Carried.

5. Farm Report

P Christensen presented the Farm Report for the Trust and commented on the dry weather affecting the summer crop.

A Knap said that the farm is in good condition and well managed with good returns. The Trust is happy with Jeremy O'Reilly, Farm Manager. A Knap commented that the Trust is one of the few trusts around that are not in financial trouble. He also said that 300,000 milk solids is as good as any farmer would get. It helps pay the lease money and put money back into the operation of the farm. He also raised the possibility of buying the Taylor's farm business to get it back, but the trustees are looking to upskill and put a network in place to be ready when the time is right.

A Knap highlighted the photos on page 9 of the AGM book with A Knap and P Christensen standing amongst the gorse on Section 71 block. The gorse was taller than Paul back in 2010. There won't be any gorse that big on the land anymore as it is all green grass now.

The pine trees photo as highlighted in P Christensen's report, were discussed. It is a few acres of retired land. The government limited what could go on the land because it was too close to the National Park. The decision was made to put in pine trees and not goats.

A Knap commented on the bridge linking A8 and A9. It cost the Trust around \$100,000 and was placed on the land. It was \$20,000 cheaper for the Trust to source the bridge from Whanganui with delivery and instalment, than to have it done by a local business. The bridge holds about 40 tonne.

Paki asked if grazing 900 cows viable. P Christensen replied that it is viable. P Semmens was concerned about the amount of stock on the land and the effects on the whenua. P Christensen did not think the farm is overstocked with 1,100 acres for 900 cows. He also commented about the contours of the steep land and that the Farm Manager is mindful of land when managing the cows. R Jenner commented that A11 is also leased out.

Moved P Christensen and seconded P Semmens that the farm report be approved – Carried.

6. Guest speaker Anaru Begbie – Education Grant recipient

A Knap briefly discussed the grants the Trust gives to its owners and beneficiaries. He invited education grant recipient Anaru Begbie to speak. A Begbie introduced himself and advised that R Begbie is his mother.

A Begbie expressed his gratitude to the Trust for the grant that has enabled him to study. He has been a recipient since 2015. He went from a port worker in Napier to a Project Manager Raukawa Charitable Trust to conduct research on the restoration of the Waikato River. In 2018 the Trust's grant enabled him to complete his 3rd year of his Master's thesis. His thesis focused on Raukawa's connection with the Waikato River, primarily the historical connection when Mahingarangi came down the Kaimai and crossed over the river, and the iwi developed from there. A major learning has been the relationship Maori hold with all water bodies. He found through his research that although practices have changed, the fundamental tikanga is still believed today. His studies have

Te Hanga South Lands Trust – Meeting of Owners

allowed him to bring his whanau home, re-engage with his marae, and gain a greater understanding of himself. He also commented that Trust has also supported some of his tamariki with their learning and allowed them to upskill themselves.

A Knap commented that 5 years ago, he never would have thought there would be someone giving thanks back to the Trust; it is unexpected but greatly received.

An owner expressed thanks that A Begbie came to her husband's Paparama marae and assisted with leasing of water from the farm.

A Begbie excused himself as he had another meeting to go to.

7. Forestry Report

R Jenner commented on the report, stating that wind and fire are issues that insurance will not cover. A Knap said that the legal advice was to leave it alone because if it burns down, it burns down.

8. Financial Report

A Knap invited owners to take the books home and read them, and if there are any questions, to direct them to the Trust. A Knap moved to page 59 of the AGM book to summarise the worth of each block. He advised that A10 is the working block that makes the money and carries the farm with cashflow. Sec 71 block is slowly building up; it has gorse but is looking good. A Knap asked P Christensen what the asset worth was. P Christensen replied that for rating purposes it is \$8 million.

A Knap commented that within 3 generations the Trust has grown up to the millions. He acknowledged the hard work of Uncle Henry and his father. He also said that R Jenner does a great job of the budget forecasting for the Trust.

H Tuhakaraina asked the trustees about education grants. P Semmens said that would be discussed in General Business.

P Christensen advised a correction to the financials the first total area for A9 71.6655ha is a combined total. The correct figure for Page 59 5.b Total Area is 38.8703.

Moved C Thompson and seconded P Semmens that the financial report be approved – Carried.

9. General Business

a. Dividend resolution

P Semmens read from the power point which said that:

“5.1 Dividend Resolution:

Resolutions were made by the trustees in 1998, 1999 and 2003, to pay dividends to shareholders, however, these resolutions are not consistent with sound financial and administrative practices.

Te Hanga South Lands Trust – Meeting of Owners

- (a) There is no **dividend policy** to show **how** these payments are to be implemented. eg separate block % and taxation responsibility*
- (b) Subsequent decisions contradict which blocks receive dividend payments then were overridden without any clear reasoning*
- (c) Financial accounts showed either a deficit balance or insufficient funds available for a dividend payment from three of the four blocks*
- (d) Profits of one block were utilised to fund the other three blocks which is in breach of the Trust Order”*

This was supported with discussion led by R Jenner. P Semmens advised there was one owner who raised the previous year’s dividend and that the profitable block was paying out to owners in the non-profitable blocks.

The resolution stated:

“That the decisions made by the Trustees in 1998, 1999 and 2003 regarding dividend resolutions be rescinded.”

H Tuhakaraina advised the money of the smaller blocks can pay back the money used from the one profitable block.

A Knap discussed the Court rulings of the past when there was no money at the time to pay out. A Knap put the motion to the floor and reiterated to owners the importance of the resolution to rescind the historical resolution. R Jenner assured attendees that the Trust will look at a dividend in the near future as funds become available.

P Christensen advised that by 2022, developments of blocks A8, A9, and Sec 71 will be complete and the lease income amounts should increase. The Trust should then be in a position to pay out dividends. In the past, A10 has carried the Trust financially and spent money to develop A8, A9 and Sec 71 blocks.

Moved A Knap and seconded N Thompson that the decisions made by the Trustees in 1998, 1999 and 2003 regarding dividend resolutions be rescinded – Carried unanimously.

It was confirmed that N Thompson is an owner. Trustees asked that the minutes reflect the reasons for the resolution as set out in paragraphs a-d above and that this be sent to the Court.

b. Grants

V Clair asked about sports grants. C Thompson clarified there are 3 categories for grants, which include sports grants. The education grant forms should be online.

P Semmens requested the grant policies be placed on the Trust’s website. She commented that most sports groups will fundraise and the Trust will top up the remainder of funds if possible.

A Knap discussed marae grants have been given to marae in the past and gave the example of Ngati Kahu who were helped with relocation costs. A Knap stepped aside as Chair because it is his marae and he couldn’t be seen to have a conflict. The Trust advised they would pay for the materials for the project.

Te Hanga South Lands Trust – Meeting of Owners

c. Discussion from the floor

A Knap asked if there were any queries from the floor. He said that anybody who wants a copy of the education grant should put an asterisk next to their name and one will be sent out with the policy.

A Knap asked what the owners thoughts were about amalgamation of the blocks with a neighbouring Trust such as Te Hanga North. Discussions from the floor were that it is more desirable to amalgamate now than it was in the past.

A Knap commented about workshops being done this year to bring lands together. He has been asked about "What is Te Hanga? Where did it come from?" The trustees are learning the history of Te Hanga and Whaiti Kuranui. He would like to see the Trust get clear on its history and who they are before branching out and moving forward. He also talked about the caves and the top of the Kaimai spring which flows all the way down the hill.

H Tuhakaraina requested a wananga to learn the Te Hanga history before the knowledge gets lost. P Semmens spoke of a hui at Te Ukaipo marae regarding the history of Mahingarangi. A Knap said he would support the idea of wananga.

R Jenner discussed the trustees' discussions around putting a lodge on Trust land, like a papakainga similar to Ngamanawa. P Semmens asked if there are any concerns from the floor and if the owners are happy with what the Trust is doing.

H Tuhakaraina said it would be good if meetings were held at marae to support them. P Semmens advised that it costs so much money paying for the catering and the marae. At the last meeting held there was too much food because there was not enough people. It is cheaper to come to Okoroire Hot Springs Hotel. P Semmens personally would like meetings on the whenua, so that the owners come back to the land. R Jenner reconfirmed that koha is given to marae to support them, but that there are not enough owners attending to justify the amount of money spent on holding meetings on a marae.

E Smith talked about having the meetings on the land and having farm inspections. R Jenner said that the papakainga lodge would take 2 to 3 years, but will make meetings on the farm possible.

A Knap said that at the last owner meeting, the Trust had a bus stand by for a farm inspection, but there were no owners who turned up. A Knap invited any owner who wishes to go onto Trust land to contact the Trustees and they will discuss it with the farmer as a courtesy to him.

Meeting closed at 11:58pm with karakia by Alby Knap.

Signed.....Date.....