



T/24/03

## MINUTES

### ORDINARY MEETING OF TRUSTEES

**Date:** Tuesday, 26 March 2024  
**Time:** 2.32pm  
**Place:** Trust Office, Perry House, 360 Tristram Street, Hamilton

**PRESENT:** Trustees Afeaki (Chair), Chew, Harvey, Johnston, Silverton, Strange & West

**IN ATTENDANCE:** Chief Executive Officer, Grants Manager, Finance Administrator, Grants Advisor & Trust Administrator

**CONFLICT OF INTEREST DECLARATIONS:** Trustee Harvey declared her interest under item T/24/03/2.2 in that she was involved in establishing the business case for the refurbishment at Hamilton Multicultural Services Trust

**APOLOGY:** Emerging Director, Andrew Corkill

**KARAKIA TIMATANGA:** All

#### AGENDA ITEM

Trustee Afeaki welcomed the community representatives present.

#### T/24/03/1.0 OTHER REPORTS

#### T/24/03/1.1 2024-25 Draft Annual Plan and Budget (Ref: 35/5)

A report from the Chief Executive Officer (CEO) dated 21 March 2024 was circulated.

Trustee Afeaki acknowledged the submission hearings from the previous day, noting that 14 organisations/individuals had been heard in support of their feedback to the Trust's 2024-25 draft Annual Plan, and 81 written submissions had been received by the deadline.

The Trust Administrator read out an excerpt from a clarifying email that had been received from Waikato District Council following the hearings meeting:

*The Council is supportive of the additional \$3M of funding and supports the additional \$3M being used for boosting the current community grants budget as well as for partnership opportunities with the capital beneficiary councils.*

Trustee Harvey remarked that it was heartening to see such a high level of interest in the draft Annual Plan, and that it was useful to have a day following the hearings to reflect on the submissions. Trustee Afeaki concurred, commenting that it was beneficial for Trustees to have the extra time to honour the submissions and give them due consideration.

The CEO communicated that, due to the growth in the network, the Company had increased the discount amount in the draft Annual Plan to \$14.5M (for payment in 2025).

Trustee Afeaki invited Trustees to comment on the draft Annual Plan and Trustee West highlighted the submissions received that conveyed the desire for some of the Distribution Fund to be allocated towards discounts, which would align with current Trustees' 2023 campaign messages.

Trustee Harvey expressed that, while there may be an appetite among Trustees to increase discounts, because there is a set process to calculate the discount amount, any addition made to the declared amount at this time would be discretionary, and this would incur additional costs on the Company and affect tax deductibility. She suggested that a working group be formed that would undertake strategic planning in conjunction with the Company, taking into consideration living costs and inflation, and reviewing the calculation annually ahead of the Company cycle.

Trustee Silverton pointed out that Trustees had only recently been alerted to the increased dividend amount so there had not been the opportunity to discuss the matter more fully. Trustee Harvey noted that, even if the increase had been announced earlier, any change to the discount amount would be out of cycle.

Trustee West added that the posted discount is the amount the Company commits to paying based on their projected earnings for the Financial Year ahead, and a discretionary discount can be paid at any time. Trustee Harvey responded by saying that a discretionary discount is not the Company's preferred mechanism, and she suggested working with them around increasing the proposed dividend. She then reiterated her idea to form a working group that could also preserve the discount mechanism for future years, ensuring its sustainability.

Trustee Chew expressed his view that the number of submissions, many of which were in a template format, were too few to enable a decision in the current forum on the balance between discounts and grants, and that this needs to be addressed at the time of election campaigning. He conveyed that he respected the democratic process when voters in 2020 asked for discounts to be reinstated, and he would ask that Trustees also respect the result of the 2023 election. Trustee Silverton reminded Trustee Chew that he had stood for more discounts, to which Trustee Chew replied that his campaign was for more discounts and more grants, but he believes grants should be brought in line with discounts as the latter are not targeted, and once this happened, discounts could be raised. Trustee West pointed out that the anticipated increase in discounts was due to more connections and would not increase the amount received by each recipient.

Trustee Harvey reminded Trustees of the Dividend Policy and restated that a discretionary discount would cost the Company money. There was a brief discussion with regard to tax treatment of the dividend and discount.

Trustee Silverton floated the possibility of making use of the Trust's managed funds rather than requesting money from the Company, and there was agreement that this could be an option to consider.

Trustee Strange sought confirmation with regard to his understanding that if the \$3M went towards a discount, it would be taxed so that roughly \$2M would be distributed, whereas if it went towards grants, the full amount would be distributed, and also that if the discount is declared over a year in advance, it does not attract the same tax rate. The CEO affirmed Trustee Strange's assumptions.

Trustee West observed that there did not seem to be an appetite to increase discounts from certain Trustees who had campaigned strongly for them. Trustee Harvey disagreed with this perspective.

Trustee Afeaki reminded Trustees that the purpose of the Agenda item was to adopt the draft Annual Plan. She acknowledged that a team of Trustees had campaigned on more grants and discounts, and that there were a number of submissions that called for an increase in discounts, but she added that it was important for the community to have a clearer understanding of how the discount is calculated, and the timeline involved. She noted that the Community Investment Strategy would soon undergo a review, and this would stimulate further discussion on how to best benefit all Trust beneficiaries. She sensed that discounts would increase in time, and that a working group should be formed as suggested by Trustee Harvey, with a view to working with the Company around the discount mechanism. She reminded Trustees of their fiduciary obligations, and of their shared desire to work collectively and cohesively for the betterment of the community.

Trustee Strange raised the issue of the Waikato Wellbeing Project (WWP), expressing that he could be convinced to decrease the funding by a lesser amount than proposed in the draft Annual Plan, and this stance was as a result of learning more about the work of WWP through the submission process.

Trustee West expressed his view that the Trust was obliged to uphold the Agreement with Waikato Regional Council, and that if other Trustees were unsure that WWP was fulfilling its intended purposes, this should be addressed in a different situation rather than through the Annual Plan process. He added that the proposed reduction has presented an opportunity for WWP supporters to present their viewpoints, but believed the full amount of \$400,000 as per the Agreement should be reinstated.

Trustee Chew was of the belief that the process should have included greater consultation with the Trust's WWP partner, and that the full amount of \$400,000 should be recommitted in the draft Annual Plan, with a view to holding further conversations with the community and WRC on the future of WWP.

Trustee Silverton relayed that he had heard some concerns in the community about WWP's effectiveness, but in his mind these had been eased in light of the submissions presented at the hearing meeting, and he was in favour of the full level of funding. Trustee Harvey concurred.

Trustee Afeaki stressed that the Trust and WRC are in a partnership, and she broached the matter of how the remainder of the contract might be fulfilled by WRC through their in-kind and growing financial contributions to ensure the ongoing sustainability of WWP, given the Trust's diminishing financial support (having committed \$2.3M to-date).

Trustee Strange acknowledged that \$3M was a significant amount from one funder and would have leaned towards an amount of \$300,000, but found the submissions compelling and would not contest the full amount.

Trustee Harvey recognised the difficulties presented by longer-term Agreements, particularly when there is a change of Trustees, and emphasised the importance of ensuring that intended outcomes are adhered to. She mooted that the Trust robustly investigate multi-year funding and how it is reviewed, given the need for community groups to have increased financial certainty, and this could then be taken into consideration for future draft Annual Planning.

Trustee Chew repeated that there needed to be discussions held with WWP and WRC in future, to address residual concerns and conceptions in the community.

Trustee Harvey concluded that there was an appetite for the full amount of \$400,000 to be reinstated, and that further group discussion was needed around future funding. Trustee Chew enquired as to the affect this would have on the 2024-25 budget, and the CEO relayed that the contingency amount set aside for potential Purpose Capital investment call downs would reduce by \$200,000. Trustee West observed that the Trust had the capability to shift money between its various funds as required and Trustee Silverton commented that a one-off potential deficit would not be detrimental to the Trust.

Trustee Johnston voiced her support for the proposed resolution, and Trustee Afeaki noted that conversations had been robust, with positive support being received for WWP via the submission process.

Trustee Harvey cited the need to discuss how future funding pools are allocated to ensure the right balance moving forward. Trustee West remarked that this would happen as part of the Community Investment Strategy review, and the Grants manager relayed that staff would like to start that process in the current year.

Trustee Afeaki mentioned that there was a four-week cancellation clause in the WWP Agreement with WRC, and Trustee West raised the issue of the Trust's reputational risk in this regard.

Trustee Strange initiated a brief discussion with regard to the timing of decisions around the \$3M Distribution Fund.

**MOVED:** (Afeaki/Harvey) That:

1. The submissions be received.
2. The Trust sends each submitter a written response to their feedback.
3. The 2024-25 Draft Annual Plan and Budget be adopted,\* subject to the changes requested by the Company as outlined in the report, and a reallocation of \$200,000 to the Waikato Wellbeing Project (WWP), bringing the total WWP allocation to \$400,000, with the expectation that there will be a robust review of future funding models and project deliveries.

**CARRIED**

*\*Votes recorded against: Trustees Silverton and West*

**T/24/03/2.0 DISTRIBUTIONS/IMPACT**

**T/24/03/2.1 Grants Committee Meeting Held 26 March 2024 (Ref: 60/10)**

A report from the Grants Manager dated 26 March 2024 was circulated separately. This included a list of recommendations on the February 2024 Quick Response round applications, as well as three Convening and Organisational Development (COD) grant applications.

The Grants Manager gave explanation as to the timing of the report, noting that the Grants Committee meeting had been held earlier that day and a decision was required before the end of the financial year.

**Disclosure of Interests**

Trustees adhere to the following Trust policy:

Governance Process Policies – Conflicts of Interest (point 8)

*“Trustees who have declared an interest in an organisation who has applied for funding shall not rank, vote or participate in the discussion about that organisation’s application at the funding decision-making meeting.”*

There were no Declarations of Interest noted.

The Trustees considered the recommendations, with the Grants Manager answering questions as they arose relating to the assessments, and Trustee Afeaki acknowledged the efforts of the Grants Committee.

**MOVED:** (Afeaki/Strange) That the following Quick Response and Convening and Organisational Development grants be approved:

<b>Appl #</b>	<b>Organisation</b>	<b>Amount</b>
QR2683	North Waikato Transport Trust	\$20,000
QR2684	Outward Bound Trust of New Zealand	\$10,000
QR2685	Taupiri Bowling Club Inc	\$12,500
QR2687	Raglan Community Patrol Charitable Trust	\$1,500
QR2693	Hamilton Cricket Association Inc	\$12,000
QR2694	Living Theatre Charitable Trust	\$2,000
QR2696	Raglan & District Museum Society Inc	\$8,000
QR2699	The Dyslexia Association of Waikato	\$12,000
QR2704	Indian Cultural Society (Waikato) Inc	\$2,500
QR2706	Neurotones Waikato Collective	\$1,500
QR2707	Auckland District Kidney Society Inc	\$5,000
QR2709	Rock Quest Charitable Trust	\$9,000
QR2710	The Asian Network Inc	\$10,000
QR2711	Claudlands Bowling Club Inc	\$20,000
QR2712	Huntly Gymnastics Club Inc	\$8,000
QR2713	Māori Women’s Welfare League – Whatawhata Branch	\$1,730
QR2716	Girls Rock Aotearoa Inc	\$12,000
QR2718	Hamilton Kerala Samajam Inc	\$2,000
QR2722	House of Science Central Waikato	\$12,000

Appl #	Organisation	Amount
QR2723	Waikato Rowing Club Inc	\$15,000
QR2724	Hamilton Contract Bridge Club Inc	\$7,500
QR2725	Hamilton Old Boys Cricket Club Inc	\$8,000
QR2729	Ngāruawāhia Playgroup Inc	\$8,500
QR2730	Dress for Success Hamilton Trust	\$18,000
QR2732	Rauawaawa Kaumatua Charitable Trust	\$20,000
QR2734	Blue Light Ventures Inc	\$12,000
QR2736	Waikato Rivertones Inc	\$1,000
QR2738	Efalata Trust	\$7,000
QR2741	The Waikato Chapter of Barbershop Harmony NZ Inc	\$3,000
QR2742	Waikato Korean School Trust Board	\$8,000
QR2743	Hamilton Pride Inc	\$5,000
QR2745	Hamilton Science Awards Trust	\$20,000
QR2746	Menzshed Huntly Inc	\$2,800
QR2749	National Youth Theatre Trust	\$13,500
QR2752	Tainui Waka Cultural Trust	\$12,000
QR2753	Re-Creators Charitable Trust	\$12,000
		<b>\$333,030</b>
COD64	Community Link Trust	\$10,000
COD65	Friendship House (Huntly) Community Charitable Trust	\$20,000
COD66	The Community Waikato Trust	\$20,000
		<b>\$50,000</b>

And that the following applications be declined:

QR2695	Hamilton City Netball Centre Inc
QR2717	Northern United Sports Club Inc
QR2721	The Scout Association of New Zealand
QR2726	Hamilton Golf Club Inc
QR2727	Babystart Charitable Trust
QR2728	Epilepsy Association of New Zealand Inc
QR2750	Barnardos New Zealand Inc
QR2751	Opus Orchestra Trust

**CARRIED**

The total grants funding for the February 2024 Quick Response round was allocated at \$333,030 to 36 successful grant applications. Three COD grants were also allocated, totalling \$50,000.

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**T/24/03/2.2 Vital Impact Grants Committee Held 19 March 2024 (Ref: 60/30)**

A report from the Grants Manager dated 19 March 2024 was circulated.

The Grants Manager summarised the report and the process undergone in arriving at the Vital Impact Grant recommendations presented. He invited and answered questions from the Trustees, clarifying that all applications had a broad housing focus.

Trustee Harvey declared her interest with regard to VIG65 and commended the Grants Committee on their quick execution of the Vital Impact Fund assessment stage.

Trustee Silverton also made mention that Silverton Alexander Ltd is currently carrying out an insurance valuation for the Hamilton Christian Nightshelter Trust, and it was conceded that this did not present a conflict of interest.

**MOVED:** (Afeaki/Strange) That:

1. The Trust approves the following grants as recommended by the Vital Impact Grants Committee:

VIG63	Matawhaanui Trust	\$100,000
VIG64	Bridge Housing Charitable Trust	\$100,000
VIG65	Hamilton Multicultural Services Trust	\$150,000
	<i>Trustee Harvey did not take part in voting of this item</i>	
VIG66	Hamilton Christian Nightshelter Trust	\$100,000
VIG67	Waikato Housing Initiative	\$60,000
VIG68	K'aute Pasifika Trust	\$100,000

2. The unallocated balance of \$390,000 from the 2023/24 Vital Impact Fund be carried over to the 2024/25 Financial Year.

**CARRIED**

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**T/24/03/3.0 MANAGEMENT REPORTS**

**T/24/03/3.1 Resolution Schedule (Ref: 15/20/5)**

The Resolution Schedule dated 12 March 2024 was circulated for noting.

The CEO gave a brief update with regard to the impending Trust office relocation. Trustee Silverton offered to review the awaited draft Deed from DV Bryant Trust and this offer was gratefully accepted by the CEO.

The CEO also gave a brief update with regard to the ETNZ Spring Conference, which the Trust would be hosting in November. Trustee Afeaki suggested that a working group be formed to facilitate the additional work this will entail.

**MOVED:** (Afeaki/Silverton) That the Resolution Schedule be noted.

**CARRIED**

**T/24/03/3.2 Trustee Meeting, Workshop and Event Attendance (Ref: 15/2)**

A report from the Trust Administrator dated 12 March 2024 was circulated for noting.

Trustees Afeaki, Chew and Harvey, and the Grants Manager reported on community events recently attended.

**MOVED:** (Afeaki/Johnston) That the Trustee Meeting and Workshop Attendance report be noted.

**CARRIED**

**T/24/03/3.3 Ongoing Status Report (Ref: 15/20/5)**

A report from the Grants Manager dated 12 March 2024 was circulated for noting.

The Grants Manager gave a quick status update on overdue accountability.

**MOVED:** (Afeaki/Chew) That the Ongoing Status report be noted.

**CARRIED**

**T/24/03/3.4 Bi-Monthly Review Against Annual Plan (Ref: 15/20/5)**

A report from the CEO for the month of March 2024 was circulated.

The CEO acknowledged the efforts of the staff during what had been a markedly busy end to the financial year. He then responded to Trustee Strange's question about a recent meeting with Hamilton City Council, clarifying that it was for the purpose of introduction/relationship-building.

The Trust Administrator pointed out that the next bi-monthly report would include the new Financial Year's Key Actions.

Trustee Afeaki remarked on the successful dinner event held with the Directors of the Company, and on the positive feedback received from Emerging Director, Andrew Corkill with regard to his engagement with the Trust thus far.

**MOVED:** (Afeaki/Strange) That the Bi-Monthly Review Against the Annual Plan be noted.

**CARRIED**

**T/24/03/3.5 Financial & Budget Report (Ref: 20/10)**

A report from the Finance Administrator for the month of February 2024 was circulated.

The Financial Administrator conveyed that the Purpose Capital Impact Fund amount indicated in the report had been paid on 15 March. She advised that she would follow up on the unrealised gain breakdown amounts recorded under the Trust's Vanguard investment.

**MOVED:** (Afeaki/Harvey) That the financial and budget report to 29 February 2024 be adopted.

**CARRIED**

**T/24/03/3.6 2022-23 Tax Return (Ref: 20/30)**

A report from the CEO dated 11 March 2024 was circulated.

The CEO advised that the Trust's Accountants had co-ordinated the tax return for the previous financial year, and he noted that the Trust did not have a tax liability.

It was ascertained that the expenses had not been included in the initial taxable income amount in the report.



**MOVED:** (Afeaki/Chew) That the IR6 Tax Return prepared by Baker Tilly Staples Rodway Ltd for the year ended 31 March 2023, as attached to the report, be approved and the Trust Chair be authorised to sign such return.

**CARRIED**

Trustee Harvey drew attention to the spectrum of groups that had been supported by the Trust, as listed in the Distributions Summary attached to the report.

The CEO noted the activities in progress that had been registered in the fiduciary calendar, as attached to the Financial & Budget report. There was a brief discussion with regard to the external Investment Advisor Request for Proposal process, and it was established that the Trust's current external Investment Advisor was included among the Expressions of Interest.

**MOVED:** (Afeaki/Silverton) That the fiduciary calendar update be noted.

**CARRIED**

**T/24/03/3.7 Energy Trusts of New Zealand (Ref: 5/30/15)**

A report from the Trust Administrator for the month of March 2024 was circulated.

**MOVED:** (Afeaki/Johnston) That the ETNZ report be noted.

**CARRIED**

**T/24/03/3.8 Industry & Trust Activity Verbal Updates**

The Grants Manager gave brief updates with regard to the following:

- March 2024 Community Support grants round
- April 2024 Quick Response grants round

**MOVED:** (Afeaki/Johnston) That the verbal reports be received.

**CARRIED**

**T/24/03/3.9 Confirmation of Minutes (Ref: 15/20/10)**

The Minutes of Ordinary Meeting T/24/01 dated 27 February 2024 were circulated.

Trustee Afeaki acknowledged the efforts of the Management team, the presence of the Grants Advisor, and the departure of the community representatives.

**MOVED:** (Afeaki/Chew) That the Minutes as circulated be confirmed as a true and correct record.

**CARRIED**

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**T/24/03/4.0 EXCLUSION OF PUBLIC**

**MOVED:** (Afeaki/Silverton) That the public be excluded from the following parts of the proceedings of this meeting under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for reasons relating to third party commercial sensitivity, on the following grounds:

1. To enable the Trust to carry out, without prejudice or disadvantage, negotiations (including commercial or industrial negotiations).
2. To protect information where the making available of the information would be likely unreasonable to prejudice the commercial position of the person/organisation who supplied or who is the subject of the information.

**CARRIED**

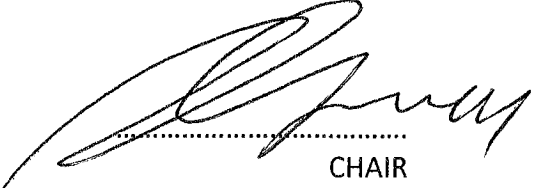
<b>Agenda Item</b>	<b>General subject matter to be considered</b>	<b>Grounds for passing this resolution</b>
T/24/03/5.1	Company Director Recruitment & Appts	Definitions 1 & 2 above
T/24/03/6.1	Resolution Schedule	Definitions 1 & 2 above
T/24/03/6.2	Risk Management Report	Definitions 1 & 2 above
T/24/03/6.3	Industry & Trust Activity Verbal Updates	Definitions 1 & 2 above
T/24/03/6.4	Confirmation of Minutes	Definitions 1 & 2 above

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The meeting closed at 4.58pm.

Confirmed at T/24/04 on 23 April 2024 as a true and correct record.

  
CHAIR