

Minutes - Finance & Policy Committee Meeting - 11 Jan 2023

Attendees: Wayne S, Denise, Peter O, Nick

Agenda: NT Road Funding options in light of DoFT (Department of Fair Trading) advice re CCUs

Discussion:

The Registrar refused mandatory CCUs, which would increase the risk to the Coop through some members possibly not participating and others being overdue or defaulting in their payments. These risks are very real as we have seen over the years.

The committee therefore discussed other funding options using shares or levies. Necessary rule changes for shares are much less onerous than for CCUs, and unnecessary for Levies. Most importantly, with both these options we are covered by the existing Goolawah Co-op rules for the risks mentioned above, whereas CCUs would operate outside them.

Denise had drafted a Disclosure statement and rule changes, which also presents the case for funding.

Denise raised an idea to give us time to finalise the DoFT rules and other documents, which is to raise road levies for a short period in this financial year but keep the total income from payment levies low enough to remain under the GST limit.

Additional shares must also be voluntary, however once individual member agreements are made, it appears that normal Goolawah rules about maintaining active membership would apply. To be confirmed.

More research about these other options to follow with Sam Byrne of the Coop Federation and referencing the rules and legislation.

Wayne's initial comparison CCU/shares table was wrong in showing CCUs as compulsory and will be corrected.

Actions:

1. Nick to update the draft phone tree message advising the community of progress and bring to the Directors meeting this Saturday 14 Jan for discussion. The agenda is to review road funding methods in light of the DOFT advice.

2. Denise to contact Sam Byrne of Co-ops Federation to discuss the option of shares over CCUs and to request examples of Disclosure statements and rules for our type of Cooperative.
3. Wayne to contact the registrar asking if her offer of review of CCUs could also apply to Shares.
4. Wayne to correct the CCU/Shares comparison table.