

## Tips for AGMs for the Financial Year Ending 30 June 2019

To the BID Managers:

Well, I'm thinking about AGMs, aren't you? OK, not yet, maybe, but they're coming whether we like it or not. So herewith, my *third annual* Words-To-The Wise plain English review for AGM prep and follow-up. There really isn't anything in here that *isn't* important to know, and it reflects some lessons from the past year, so please take the few minutes necessary to look it over. 'Tis but once a year. (If you are new to the ranks of BID managers it might be a good idea to meet personally before you start AGM planning.)

*But first things first...*

Why We Do This:

- It's clear that good non-profit governance makes for better programmes, more efficient operation, and higher credibility with the community. "Governance" is multi-faceted and can mean different things to different people, but there are some basic elements that all associations, anywhere, should pay attention to. The BID policy encourages those fundamentals.

The Four Most Important Things the BID Team Does:

1. *Gather targeted rates data from all BIDs for council's Annual Plan.* That's an absolute requirement with an immovable deadline, neither of which can be influenced by the BID team. A lot of people in a lot of departments are involved in putting the Plan together. The sooner we have accurate and final targeted rates data for all BIDs, the less bureaucracy will be needed to finalise the Plan. Including dollar amount of your targeted rates budget in your AGM agenda, budget resolutions, and minutes helps us a lot.
2. *Guide and recommend establishments and expansions of BIDs.* If you are considering a BID boundary change, this must be put to the members at an AGM before proceeding. The BID team takes these actions, and findings of the expansion process, to the Local Board for their approval. You should be in touch with Claire months to a year in advance of an AGM if you are planning an expansion.
3. *Report to Local Boards on policy compliance.* Local Boards have keen interest in the BID programme and expect to be kept informed. BIDs don't get their targeted rates unless the Local Board approves. We very much want everyone to get their targeted rates and don't have any interest in making that difficult.
4. *Monitor compliance with the policy.* We try to be as flexible as possible but rules are rules, as they say, and Local Boards and the Governing Body insist on compliance with all council policies. (Sorry.)

## AGM-Specific Info:

### AGM documents that the policy requires you to prepare and send us:

- Audited Accounts, which includes a management letter. If your targeted rates income is less than \$100,000 and you submitted an audit for the 17-18 year, you don't need to submit one for FY 18-19.
- Annual Report of the *previous* year's activities, by chair or manager.
- Business Plan with actions for *this* year. (2019-2020)
- Indicative Budget for the *following* year. (2020-2021)
- Strategic Plan. If yours includes 2019 and 2020, and we have it, you don't need to send it. (Some expire in 2019. Check yours.)
- Note: *This year* means FY 2019-2020.

**Pre- and Post-AGM work.** (See AGM guide for a (very) complete discussion, and generalised compliance schedule, transmitted with this document.)

### Pre:

1. Let us know the date, time, and place of your AGM. We sometimes attend if it seems like it would help, or if you think it would help.
2. Pro-actively distribute nomination forms for committee election in a way that assures that all members receive them, and with plenty of time to return them.
3. Be certain who is eligible to vote at the AGM before the AGM.
4. Make sure your member database/registry is up to date and accurate for the AGM. Distribute membership forms well in advance of the meeting. Be sure your membership criteria are "not inconsistent with the policy".
5. Know all the resolutions that will be proposed at the AGM.
6. Put all AGM info on your website and newsletter.
7. Give members at least the minimum notice required by the BID policy and the Incorporated Societies Act, especially for Special Resolutions.
8. Ideally, send us the agenda before you finalise it so we can flag anything that could cause problems at or after the AGM.

### Post:

1. Finalise approved versions of the documents if they were amended at the AGM.
2. Distribute draft minutes of the meeting. So we can verify that formal actions have been taken on targeted rates budgets please copy [BDs@aucklandcouncil.govt.nz](mailto:BDs@aucklandcouncil.govt.nz).
3. Upload your audited financials to the Incorporated Societies website.  
<http://www.societies.govt.nz/cms/incorporated-societies>
4. Do the same with a *new* or *amended* constitution, change of name, or other data.
5. Accountability Agreement – due to us by 10 March 2020. See BID website for template. Let us know if you may have trouble meeting this deadline.
6. Have an update meeting with your Local Board shortly after the AGM. Timing and format are up to you and the board. We recommend frequent meetings with your LB.

You don't need to send these one-time documents:

- Programme Agreement, unless yours expires in 2019. Many of them do.
- Board Charter, unless you have haven't done one yet. Be sure all new board members sign it.

#### Notes from the 2018-2019 experience:

- Several BIDs had trouble with member verification at their AGMs. What a mess. Absolutely nail down your member registry in advance. Be clear on your membership forms what the requirements for membership are. Remember: an accurate registry is required by both the BID policy and Incorporated Societies Act.
- The requirement for the annual "alignment" meeting between your BID and your local board is not satisfied by your local board representative attending your committee meetings. The BID should exchange information with the local board in a separate, dedicated conversation. This can take any form as agreed between the LB and the BID. Check the Accountability form for what these meetings should cover.
- The happy news: We received 99% of all required documents for the 17-18 financial year. And it required many many fewer reminders this time. We loved it. Thank you.

### *Tips to Make Your Lives Easier (Ours, Too.):*

#### First, a thought:

We do hear that the requirement to produce and submit these documents can be burdensome, and we wouldn't necessarily disagree. But look at it this way: With these documents you demonstrate to your members that you are responding to their priorities and their rates are being used productively. By sharing this information with council you can assure the membership that their committee is being held accountable by a neutral third party. This builds confidence in their association, and that's the best reason for doing all this.

#### *Targeted Rates-Related Matters:*

- Resolution Wording:  
Check the accompanying AGM guide for sample wording of regular and special resolutions. Put full resolution language in the meeting notice, agenda, *and* minutes. These are formal actions of a corporate entity and you and your members should have an accessible historical record of them.
- Budget Resolution: (Please note.)  
So your members know what they're spending, write the budget resolution so it is clear what targeted rates will be collected the following year and how much of a change that represents over the current amount. Don't just refer to a budget attachment. This facilitates the BID team's job to provide accurate data to the Annual Plan team, and to Local Boards who have the legal responsibility to recommend the striking of BID targeted rates.
- Targeted Rates Accounting:

In your indicative budget and audited accounts, please specify your targeted rate income in a separate “targeted rates” income line item distinct from any other “council funding” or other line item.

- Audited Accounts:

Audited accounts must be prepared and signed by an accredited auditor as required by CA ANZ standards. Also, your chair or treasurer (not staff) must sign them. We will accept unsigned copies for preliminary information purposes, but audits are not compliant with policy or the law unless signed.

It is the job of the auditor to audit internal processes as well as the accounts. The policy requires that you provide us with the auditor’s management letter evaluating your financial management processes.

#### *Documents-Related Matters*

- BID Team Review of Documents:

If you send us AGM documents, especially a draft agenda, before sending them to the members we can flag issues and avoid difficulties at the meeting. Missing or improperly-worded resolutions, failing to meet minimum notice requirements, or other oversights can invalidate actions taken at an AGM and we wouldn’t want that. That’s per the Incorporated Societies Act as well as the BID policy. We will turn our comments around within two days.

- Format, Standards, Quality:

There are no qualitative standards in the BID policy against which to evaluate your documents. They are your documents and need to work for you first. We do our own informal evaluation of them, however, and may let you know what we think, but we have no basis on which to “reject” a document because we don’t like the approach you took, unless it’s really unfit. There are lots of resources and templates on the web for Strategic Plans, Business Plans, etc., and there is no one “right” way to do them. If you wish to see some of the criteria we like, let us know. (The exception is, of course, audited accounts which must follow a set format. We may ask our internal auditors to look at your audits.)

- Confidentiality:

We do our best to keep documents confidential if you request us to. We will refer any external requests for your documents to you. However, we need to see all documents to be sure you comply. We follow the dictum used in the nuclear disarmament business, “Trust, but verify.”

- Minutes:

Include exact wording of all resolutions in the minutes and indicate whether they were carried or not. (See Budget Resolution, above.)

#### Policy Interpretation:

In matters of interpretation, please contact the BID team *first*. Chances are, we can resolve issues with a phone call.

Questions, Confusion, Thoughts, Ideas:

1. Check your constitution first.
2. Check the BID policy. You are responsible for being familiar with its provisions; it's the BID Road Code.
3. Check the BID website. <https://bid.aucklandcouncil.govt.nz>. Form templates are there, along with a lot of other relevant stuff.
4. Lots and lots of information is in the AGM guide, attached.
5. Check the Incorporated Societies website.  
<http://www.societies.govt.nz/cms/incorporated-societies>
6. Write to us at [BIDs@aucklandcouncil.govt.nz](mailto:BIDs@aucklandcouncil.govt.nz) or directly to “your” BID team contact.
7. Call.

Thank you. We appreciate your cooperation in making this process work for all of us. As always, please let us know how it can be improved.

*Alastair, Paul, Claire, Rose, and Steve*

Your BID Team

July 2019

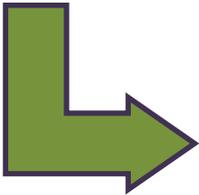
*Free Added Bonus!*

**Hierarchy of Planning Documents – General to Specific**

## Strategic Plan

Highest level,  
Multi-Year

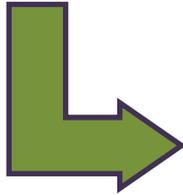
- Overview, history
- Mission/ Vision
- Goals
- Objectives
- Actions and timing



## Business Plan

What you will do  
next year

- Projects - implement SP objectives
- Budget allocation
- KPIs



## Annual Report

What you did last  
year

- Achievements per Business Plan actions, costs
- KPIs accomplished
- Staff/board changes