



The Club's Proposed Constitution – 2024

Commentary for Members

Overview

- 1. We are required by the Incorporated Societies Act 2022 to reregister our Constitution. It must comply with that Act.*
- 2. Our proposed Constitution is based on the Constitution Builder provided by the Companies Office. Additions, amendments and deletions have been made as considered appropriate for our Club.*
- 3. Several members of our Club have spent time and effort over recent years with a view to updating the existing 1998 Constitution. Their thoughts have been taken into consideration.*
- 4. The Constitution now proposed has been prepared by a sub-committee of our Board comprising Hugh Faris, Ian Gunthorp & Ben Unger. The sub-committee arranged for drafts to be peer reviewed. Many and varied were the submissions gratefully received. They were treated with respect. Some suggestions have been included. Those covering matters where the Board will have operating discretion will be referred to the Board. Some are referred to in the notes below.*
- 5. Inevitably there are areas within the proposed Constitution which do not attract support from everybody. Opinions vary widely on some matters. The sub-committee has been careful in its recognition of what they think the majority of members seek in our Club's governing document.*
- 6. The tone and structure of the proposed Constitution is intended to reflect the nature of our Club – as a sporting body catering for all members, their families, visitors and the local community. The document is open, user-friendly and sets out our Club's purposes, what it does and how it operates. The aim is to provide certainty and consistency in the way our Club is run.*
- 7. The Board and sub-committee welcome questions and suggestions prior to the Special General Meeting on 22 August. It will be to everyone's advantage if clauses of concern are clarified prior to, or in readiness for, the SGM. In the first instance, please contact Phil Horne, Club Manager, at the Club or at manager@rrc.co.nz. Resolutions from Members for consideration at the SGM relating to possible amendments to the proposed Constitution should be given to the Club by 2 August.*

Particular Clauses

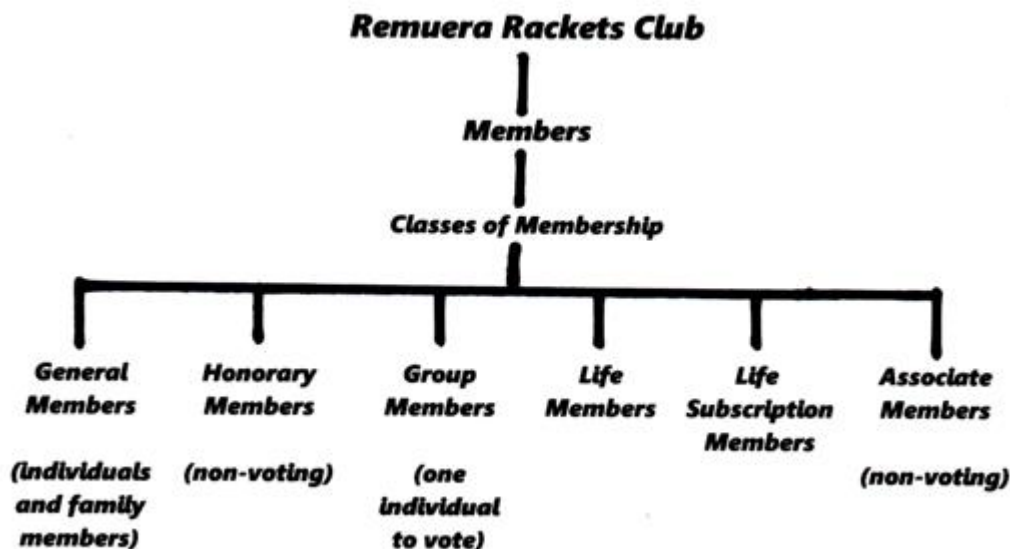
Restrictions

There are restrictions to ensure that the Club does not operate for the personal financial benefit of individual Members, other than benefits specifically approved on arm's length terms. (#3) There are also restrictions on the Club borrowing any money, other than that required for day to day management of the Club, and in dealing with any real or leasehold property, unless approved by the Members at a General Meeting. (#5)

Members

The minimum number of members presently required by the Act is 10. (#7)

A great deal of consideration has been given to the rights and privileges of Club members. A principal aim in recognising the various classes of membership within the Club has been to show respect and a welcoming attitude to everyone concerned. The various classes of membership and their characteristics are identified in #7.2:



Principal among the rights of Members are the usage of the Club's facilities (#7.3) and the right to vote on matters at General Meetings. (#8.1) The proposed Constitution includes restrictions especially where Members have a conflict of interest and where Members were admitted to membership within three months of each General Meeting. (#8.1 g) Honorary and Associate Members can become General Members, with the right to vote, following payment of subscriptions and fees.

Subscriptions and Fees

It is proposed that these be set by the Board for the then current financial year according to the facilities and arrangements at that time. This allows the Board to recognise terms relating to individuals, families, juniors and those using only parts of the Club (eg Padel). (#7.3)

General Meetings

The Board shall give Members at least 1 month's notice of General Meetings and of the business to be conducted. (#8.1a). A notice period of 35 Working Days is required for the written nomination of candidates for the positions of Officers (including for the position of President). (#11.3c)

Annual General Meetings must be held, in terms of the s.84 of the Act, within the earlier of (a) 6 months after the Club's February balance date or (b) 15 months after the previous AGM. (#8.3)

Special General Meetings may be called at any time by the Board (#8.5) or following the request of 25 Members. (#8.5a)

It is proposed that the quorum for all General Meetings be set at 40 eligible Members, this being considered reasonable having regard, on the one hand, to the reticence of Members to attend meetings and, on the other hand, the importance of some issues being considered at Annual General Meetings and Special General Meetings. Attendance will be allowed in person or by electronic means approved by the Board. (#8.1d)

It is proposed that most resolutions to be considered by Members at General Meetings, if approved, can be passed by a simple majority (#8.1 h) but approval for various matters specified by the Constitution (electing Life Members (#7.2d), resolving to put the Club into liquidation (#15.1), applying for removal from the Register (#15.2) and amending the Constitution (#16.1)) has been set at the consistent and higher level of no less than 75% of all Members voting on the resolution. To pass a written resolution in lieu of a General Meeting requires approval, in terms of s.89 of the Act, of no less than 75% of all Members entitled to vote. (#8.1j)

[It is proposed that no provision be included for proxies. The concern is that votes can potentially be influenced materially by the unethical process of collecting proxies. Far better, it is considered, to allow Members who attend a General Meeting in person or by electronic means, or who sign a written resolution in lieu of a Meeting, to vote. (#8.1 f and #8.1j)]

Board

Board members are referred to as the Officers. They must be Members of the Club. The Board will consist of between 4 and 6 Officers. (#9.1).

Officers of the Club, elected by Members, include the President. It is recognised that the President is a person who will have demonstrated sufficient abilities and respect within the Club to act as the Club's representative and provide leadership as the principal Officer of the Club. (#2)

The Board shall elect one of their number as Chairperson. The President may be the Chairperson. (#10.1d) Officers shall be elected for terms of two years and they shall be eligible for re-election. (#11.4) The Board may fill vacancies. (#11.3a)

The Board has all the powers necessary to manage the Club including the appointment of a manager, who shall report to the President on behalf of the Board, and the determination of all the manager's duties. (#9.3) Similarly the Board can appoint sub-committees. (#9.4)

The Board may seek advice from the Presidents Council, this being a body comprising all former Presidents of the Club resident in NZ. (#10.3)

The Board is responsible for recording conflicts of interest (#1 1.6 & 12.2), details of Members (#12.1), the control, management and recording of the Club's finances (#13), any audit required in terms of the Act (#13.3), handling any disputes (#14) and establishing rules and policies for the Club (#17).

The Board must provide an Annual Report to Members on the affairs of the Club which includes audited financial statements and forecast performance. (#2, #8.3 and #8.4)

Amendments

Amendments to the Constitution may be made only with the approval of Members at a General Meeting except that minor or technical amendments may be made in terms of the Act and notified to Members. (#16)

Regular Filing with the Companies Office

Societies must keep their information up to date on the Incorporated Societies Register, including the society's registered office, contact details, details of its officers and its constitution. In addition, they must file a copy of their financial statements and an annual return each year.

Hugh Faris, Ian Gunthorp & Ben Unger

16 July 2024