  

**Rotary International District 9910 Incorporated**

**Annual General Meeting 2020**

**Wednesday 17 June 2020 at 7.30pm by Zoom**

**MINUTES**

Meeting opened at 7.35pm

Vice Governor Peter Garnett opened the meeting at 7.35 pm, welcomed everyone to the meeting and advised he would be chairing the meeting on behalf of DG Ian Kiernan. VG Peter explained the voting rules, advised that DGE Elaine and Rebecca Stilton would be scrutineers and asked everyone to confirm their understanding by using the yes/no option in the participants area of the meeting.

Delegates registered

Birkenhead Janice Dowle

Devonport Paul Treacher

ECB Sean Harris

Glenfield David Hansen (Proxy)

Henderson Wendy Coyle, David Oliphant, Matthew McLeod

Kaikohe Liz Henley

Maungaturoto Eileen Parsons

Milford Garth Halliday, PDG Bruce Rasmussen

Norfolk Island DG Ian Kiernan

North Harbour Garry Le Verne

Northcote David Hansen

OOTH Bruce Murdoch

Orewa Gary Richards

Takapuna Geoff Pownall

Takapuna North Kerry-Anne Seaton

Waitakere Patrick Howard

Warkworth PDG Brian Tuck

Whangarei City PDG Peter Smith

Whangarei South Anne Grbin

**1. Apologies**

Don Bennington, Maxine & Murray Neighbour, Steve Christmas, Nigel Green

**Moved:** PDG Peter Smith **Seconded:** PDG David Oliphant

**Present:**

VG Peter Garnett, DGE Elaine Mead, Rebecca Stilton, PDG Peter Smith, DG Ian Kiernan, Geoff Pownall, Janice Dowle, Bruce Murdoch, PDG David Oliphant, PDG Lindsay Ford, AG Liz Henley, PDG Brian Tuck, Glenna Tuck, Wendy Coyle, PDG Jerry Norman, PDG Ken Linkhorn, Eileen Parsons, AG Sally Cargill, Chris Owen, PDG Bruce Rasmussen, David Hansen, Garth Halliday, Bruce Morrison, Anne Grbin, AG Patrick Howard, Kerry-Anne Seaton, Garry Le Verne, AG Gary Richards, Sean Harris, Matthew McLeod (8.17 pm)

**2. Minutes of AGM held 13 April 2019 were confirmed**

The minutes of the meeting of 13 April 2019 having been circulated, Vice Governor Peter put the motion to accept the 2019 AGM Minutes. All in favour.

**Moved:** AG Sally Cargill **Seconded:** Chris Owen

 Approved Unanimously

**3. Matters arising from the minutes**

Amendment to minutes. AG Sally Cargill to be added to those present at the meeting.

No other matters arising.

**4. Consideration of District 9910 Governor’s Reviewed Financial Statements – 2018-19**

Vice Governor Peter put the motion to accept the reviewed District Governor Financial Statements 2018-19. All in favour.

**Moved:** Geoff Pownall **Seconded:** PDG Smith

 Approved Unanimously

**5. Consideration of District 9910 Reserve Fund Reviewed Financial Statements – 2018-19**

Vice Governor Peter put the motion to accept the reviewed District Governor Reserve Fund Financial Statements 2018-19. All in favour.

**Moved:** Garth Halliday **Seconded:** Geoff Pownall

 Approved Unanimously

**6. Consideration of District 9910 Conference 2019 Financial Report**

Vice Governor Peter put the motion to accept the reviewed District 9910 Conference 2019 Financial Report.

**Moved:** PDG David Oliphant **Seconded:** Geoff Pownall

 Approved Unanimously

**7. Receive the District 9910 Conference 1990 Trust Fund Financial Report**

Vice Governor Peter put the motion to accept District 9910 Conference 1990 Trust Fund Financial Report.

**Moved:** PDG Bruce Rasmussen **Seconded:** PDG Brian Tuck

 Approved Unanimously

Geoff Pownall asked what the payment of $7,600 was for as it is not itemised. Vice Governor Peter to follow up and provide information to Geoff Pownall. [Information provided on 25 June 2020]

**8. Consider the two amendments to the District Bylaws as circulated**

Vice Governor Peter put the motion to accept the proposed amendments to the District Bylaws.

1. **Amendment to Bylaw 8-5 a**

The District Bylaws require at 8-5 a, that as soon as the financial situation for the Governor’s year be finalised, any surplus balance is to be refunded to the Clubs. The refund is to be at the earliest possible time.

This is now an onerous requirement, as the District Treasurer is required to circulate all Clubs and confirm their current bank account details and then make a payment.

The most efficient way for the District Treasurer to refund clubs is by deduction from current club dues when the annual invoice for District Dues is sent to Clubs in the early part of each Rotary year.

This will require a change to the Bylaw.

Proposed Resolution

That Bylaw 8-5 a be amended to read as follows

“As soon as the financial situation for the Governor’s year has been finalised, any surplus balance but excluding any Conference surplus or deficit for the corresponding year, will be refunded to D9910 Clubs on the same basis as the Club levies were invoiced for that District Governor’s year. The refund should made by deduction from the next District Dues invoice.”

**Moved:** Geoff Pownall **Seconded:** PDG David Oliphant

 Approved Unanimously

1. **Amendment to Bylaw 8-5 c**

The District Bylaws require that the District Reserve Account be maintained at $120,000 prior to any refund of District fund surplus back to Clubs.

It is the opinion of the current members of the Finance Committee that this amount can now be reduced substantially for the following reasons:

1. All District Governor bank accounts from 1 July 2020 are to be amalgamated and run as a single bank account. The District Governor’s allocation is to be paid 100% on 1 July each year. With Xero as the District accounting system we can now invoice Clubs on a timely basis for both District Dues and Training Dues. This will abolish the need to make advances to the DG train.
2. Expenditure controls are now in place such that losses in any year are now likely to be minimal. This is evidenced by the results over the last 10 years where no DG or Conference has produced a substantial loss.
3. The District’s largest potential liability is the Youth Exchange Scheme. The Youth Exchange Committee now has reserves well more than $30,000, provided these reserves are maintained there is no need for the District to maintain a separate reserve as well as this.

The Board recommends that the minimum contingency for the District Reserve Fund be reduced from $120,000 to $60,000 in three steps of $20,000 on each of 30 June 2020, 2021 and 2022 such that the required contingency will be $60,000 at 30 June 2022. This will require amendment of District Bylaw 8-5 c.

Proposed resolution

“That the requirement that the quantum of the Reserve Fund to be maintained be reduced to $60,000 in three steps and that Bylaw 8-5 c be amended to read - There will be no refund if the result of making the refund will reduce the quantum of the Reserve Fund to a figure of less than $100,000 at 30 June 2020, $80,000 at 30 June 2021 and $60,000 from 30 June 2022.”

**The Full text of Bylaw 8-5 will then read**

**8-5 Surplus Funds**

a. As soon as the financial situation for the Governor’s year has been finalised, any surplus balance but excluding any Conference surplus or deficit for the corresponding year, will be refunded to D9910 Clubs on the same basis as the Club levies were invoiced for that District Governor’s year. The refund should made by deduction from the next District Dues invoice.

b. If the Governor’s year results in a deficit balance (excluding any Conference surplus or deficit for the corresponding year), there will be no refund to Clubs nor recovery from Clubs.

c. There will be no refund if the result of making the refund will reduce the quantum of the Reserve Fund to a figure of less than $100,000 at 30 June 2020, $80,000 at 30 June 2021 and $60,000 from 30 June 2022.

d. Conference surplus for the Governor’s year shall be paid into the District Reserve Fund.

**Moved:** DGE Elaine Mead **Seconded:** PDG Brian Tuck

 Approved Unanimously

**Discussion**

Geoff Pownall

This was proposed at the 2018 AGM. Very supportive of what is being done. Vice Governor Peter explained with the change to the Governors accounts and use of Xero funds are able to be managed better reducing the need for such a high reserve balance.

PDG Peter Smith

Paragraph c – What discussion has taken place with the IYE Committee?

Chris Owen was asked to respond

There are significant reserves in the IYE account. There has been discussion; there is a moot point whether the District has a substantial liability in respect of Youth Exchange. Not known what the intent is for the reserves. PDG Peter Smith was asked if he knew what the intent of the reserves is.

PDG Peter Smith responded

Not specifically. Due to what is happening worldwide there will be no Student Exchanges this year however funds will potentially be needed to promote the programme in the future. It will not be the same as previous years.

Vice Governor Peter

Some liability is covered by insurance, some is covered by funds held by IYE Committee and there is still a risk reserve held by the District.

Geoff Pownall

On behalf of Neil Murray and Jen McKenzie Geoff asked if the cost to Students to attend the conference in Vanuatu will be returned. Is this something that would come out of Conference funds, District funds or IYE funds?

Vice Governor Peter advised that there has been no approach from the IYE Committee for a refund of costs. Not in a position to answer that at this time.

PDG Bruce Rasmussen advised Air Vanuatu are working through refunds. There may well be refunds in the next few weeks.

**9. Resolution regarding use of unused Conference Levy Funds**

**Background**

Due to the cancellation of the 2020 District Conference there is a substantial surplus in the District Conference account. The main component of this is $18,450 raised by the conference levy included in each club’s district levy invoice for 2019-20.

However the By Laws do not cover where there is a substantial level of unused funds arising from a cancelled Conference.

**Consideration for use of the unused Conference Levy funds**

Governor Ian Kiernan has recommended clubs be given the opportunity by Resolution to agree that the By Laws should not apply to these 2019-20 “unused conference levy funds” and consider and decide which one of the following options should be applied to the $18,450 unused Conference Levy funds.

**Timing of Notice of a Resolution**

It was not possible to include this Resolution with the AGM papers distributed on Monday 18 May, as the funds only became available for distribution with the (unexpected) receipt on 19 May of a $19,770 refund of the conference deposit paid to Warwick Le Lagon.

Requesting club’s to consider this Resolution will require clubs to first agree by Resolution to accept this notice of business in less than the 30 days required by the D9910 Constitution clause 6.04.1 which states:

“Except if the nature of the business proposed to be dealt with at a General Meeting required a special resolution of the District, the Secretary must, at least 30 days before the date fixed for the holding of the General Meeting, cause to be sent by pre-paid post or electronic means to each Club at the Club’s address appearing in the register of Clubs, a notice specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.”

**Resolutions:**

The authorised Club Representatives resolve:

1. To accept this notice of business in less than the 30 days required by the D9910 Constitution clause 6.04.1

2. To agree which one of the following options will be applied to the $18,450 unused Conference Levies:

a. Transfer the $18.450 to the District Reserve Fund, in accordance with the District By- Laws, to be used in supporting future district initiatives aimed at supporting and assisting clubs, in areas such as membership development and growth.

b. Refund the $18,450 back to the clubs, in the same ratio as the levies were charged, by means of a credit to the 2020-21 club levies invoice scheduled for July 2020

c. Transfer the $18,450 to the D9910 Vanuatu Project account for Cyclone Harold Relief projects, contributing to either Cyclone Harold Relief Global grants and/or local community projects arranged by RC Port Vila and/or RC Santo.

Vice Governor Peter put the motion to accept this notice of business in less than the 30 days required by the D9910 Constitution clause 6.04.1

**Moved:** PDG Bruce Rasmussen **Seconded:** Sean Harris

 Approved Unanimously

Vice Governor Peter explained the background of the three options for the use of unused Conference levy funds.

After some discussion the delegates agreed that:

* they wanted the funds to be returned to clubs and allow clubs to decide how to use the funds.
* they only wanted to vote on resolution 2b and not 2a and 2c.

**Resolution:**

The authorised Club Representatives resolve:

2. To agree which one of the following options will be applied to the $18,450 unused Conference Levies:

a. Transfer the $18.450 to the District Reserve Fund, in accordance with the District By- Laws, to be used in supporting future district initiatives aimed at supporting and assisting clubs, in areas such as membership development and growth.

b. Refund the $18,450 back to the clubs, in the same ratio as the levies were charged, by means of a credit to the 2020-21 club levies invoice scheduled for July 2020

c. Transfer the $18,450 to the D9910 Vanuatu Project account for Cyclone Harold Relief projects, contributing to either Cyclone Harold Relief Global grants and/or local community projects arranged by RC Port Vila and/or RC Santo.

Vice Governor Peter put the motion to refund the $18,450 back to the clubs, in the same ratio as the levies were charged, by means of a credit to the 2020-21 club levies invoice scheduled for July 2020.

**Moved:** PDG David Oliphant **Seconded:** Geoff Pownall

 Approved Unanimously

**10. General Business**

PDG Lindsay Ford

Determination to reduce the Reserve Fund – How will this be done?

Vice Governor explained it is not reducing the reserve fund it is reducing the risk element of the reserve fund. Reducing the risk bottom line will free up funds for the Board to consider how these funds should be used progressively over three years.

PDG Bruce Rasmussen commented on how the risk level will move from $120,000 to $60,000. This comes back to the Governor, Governor Elect and Governor Nominee as to what their plan is.

DGE Elaine - we have some ideas of supporting some of our membership action plan and that will require support from the Reserve fund. We’ll be looking at some of our promotional material as well. Matthew, Grant and I haven’t had a chance to look at the spread of that across the three years.

Janice Dowle referred to DGE Elaine’s reference to membership and asked if there is any plan in place for membership. DGE Elaine advised that a Membership Action plan was submitted to Rotary International in December 2019. Janice asked if clubs will see the Action Plan before it is put in place. DGE Elaine advised that the Membership Committee is reviewing the action points and will then work directly with clubs that need more help or are struggling more than others.

There was some discussion on how zoom has provided opportunities to increase membership and join Club meetings locally and internationally. Hybrid meetings may be the way in the future; some zoom meetings, some face to face.

Vice Governor Peter thanked everyone for their attendance and acknowledged the disappointment for DG Ian not being here to finish his Governor year due to Covid-19 travel restrictions.

Meeting closed at 8.35 pm