



For the enjoyment of our members, certain facilities are kept opened even if such facilities may not be financially viable. Our revenue, on the other hand, are not increasing and the key source, the slot machine income, which has been the savior for the Club for the past 20 years is now on the downward slide. The President hoped the members will take all these into consideration in arriving at a decision later.

The President then proceeded to lay down some house rules for the members present to follow for the day's meeting.

**Agenda 1: To receive the Report of the Subscription Increase Study Committee.**

The meeting then moved on to the first agenda of the day which is to receive the Report from SISC.

**Mr. Patrick Chiam (19185)**, the Chairman of SISC, then gave an account to the House the creation of the SISC and its members (including the co-opt members) based on what transpired in the last AGM in September 2015. In addition, SISC invited members to give their views to SISC through the March 2016 issue of Samanea. The SISC received only 9 responses from the members and all 9 are against the subscription increase for varying reasons.

He further explained that the SISC analyzed the accounts of the Club based on the audited accounts. The SISC analyzed the accounts from 2010 to 2015. He highlighted that SISC did not consider depreciation in their workings as depreciation does not involve the cash flow of the Club. SISC are looking at cash items. He then briefed the House based on the Report, the findings of SISC in regard to F & B outlets operations, memberships, cash and bank balances, renovation, repair and improvements, slot machine, bowling alley etc.

In concluding, he stated that the Club is not making money, the bank balances have dropped but the Club is not in a panic situation. There are remedial actions that can be taken. The one with the most far reaching effect is the F&B operations which is losing 200K plus per year and is projected to lose 200K plus in 2016. The idea of running the F&B in-house to provide better food, quality, portion and service is good but it's up to the members to determine whether it's worth losing 200K plus and will escalate to 300K plus with rising costs just to do it in-house. Alternatively, the Club can, like other clubs outsource to a caterer and take a commission of 10%. SISC will leave the matter to the GC of the day to decide on this.

**Mr. Paul Ong Siew Keet (1518-9)** thanked the SISC for the Report. He states that the Report are all fact findings based on historical figures. He questioned the Committee why there are no cash flow projections for the coming years to justify any subscription increase.

**The President** replied that the GC will make a short presentation on what lies ahead in the next five years shortly.

**Mr. Chan Chow Wang (06156)** said 18 years ago, when he was VP of the Club, the F&B operations were contracted to a caterer and earned commission from the caterer. Prior to that, the Club was losing half a million annually from F&B operations. He said that the Club should contract out the F&B operations now in order to reduce the expenses of the Club.

**Ms. Mary Teoh (11594)** stated that since the Club took over the management of the F&B operations, patronage have improved and the quality of food have improved tremendously. If previously the loss is 500K and now the loss is 200K plus, that's the improvement in the quality we are getting. The Club should continue with it and look into other avenues to improve the financial situation rather than going back to caterer because the quality of food is in our hands. We should not be like one of the clubs outside which offers poor food quality. The Club should work towards maintaining certain quality so that we can be proud to say "we give you the best in life".

**Mr. Yap Yok Foo (15192)** told the house that the "Club concept" whereby members go for facilities such as tennis courts, swimming pool, gym, sauna etc are being satisfied by the numerous condominiums built today compared to 30-40 years ago when he first joined the Club. In addition, the Club started wrongly by limiting its membership to approximately 2,000 members which render sustaining the Club in the long run with services like ours difficult. He says that since the Club sits on a prime land having a value of 200-300 million, we should sell it off and every member would get at least 100K. Fundamentally, the whole concept of the Club is out of time. The GC should sell off the Club and convert it into cash for the members.

**The President** then told Mr. Yap Yok Foo that the GC do received some proposals to sell but these proposals is nothing concrete. He also reminded the members that the GC is not mandated to sell the Club in any form unless the members give the GC the mandate.

**Mr. Yeo Sek Khoon (01892)** said the SISC needs to be careful when they disregard depreciation. It is because in the long term, the Club needs to renew the facilities and that will come down as a cash item at the end of the day. That is where the 2.5 million came from over the last 4 to 5 years. So while depreciation is not a cash item, it is something which will affect the quality of the facilities long term.

**Mr. Patrick Chiam (19185)** replied that there is a 22 plus million accumulated depreciation in the accounts. If the idea of depreciation of 22 million plus is to keep cash for renewal and improvement, where is the 22 million in the bank accounts? We have only 5 million in the bank accounts. The money that is kept aside for redevelopment and improvement is not there. He said that if the GC tells the members that they have an urgent project that costs 380K, and they don't have the funds for it, then the members will fork out say RM 20 or RM 60 monthly and get the work done. In fact, this is one of the options in the Report whereby we are trying to raise 1 million over 2 years for the improvements in the Club.

**Mr. Bruce Chan (11196)** thanked the Chairman of the SISC, for conducting the task group with a very balanced view and he should be applauded for the way he has conducted. Mr. Bruce Chan then reminded the House to come back to the context of the agenda of the meeting, which is to receive the Report of SISC. The SISC needs the Report to be received and discharged off their duty. The SISC is appointed by the members and if members felt that their Report is not comprehensive enough, then the members can charge them with further work to be done. So the meeting should focus on receiving the Report and if there are shortcomings, then raise them up.

**Mr. Henry Leong (12263)** stated that he wanted to direct some questions to SISC. Personally, he is not convinced at this point of time, the option to give the F&B operations to outside caterer as the number of patrons would not make any outside caterers interested. Even if a caterer takes up the F&B operations, the members will be short-changed by them in terms of quality. His question to SISC is, did the SISC look at the viability of the Club running the F & B operations in-house or whether there is improvement that could have been managed in the first place. The SISC looked with concern with the number of people hired as well as the big losses that was incurred. He stated that he was concerned whether that was properly managed in the first place. So did SISC look at that before coming up with the option to do away with the in-house catering?

**Mr. Patrick Chiam (19185)** replied that the SISC did not state we must definitely go back to outside catering. SISC merely states that the decision made some years ago to outsource to caterer should be revisited on an urgent basis. The GC of the day should look at it critically to see whether using outside caterer or doing it in-house is the better option. We also do not have a cost controller, menu planner, F&B manager and expert in purchasing. Based on the staff force the Club has currently, it is totally unfair to expect the General Manager and Finance Manager to do these tasks. Furthermore, they are not experts in these areas and they don't have the time. The staff costs of F & B have escalated from 69K to 1.1 million. If you further add these 5-6 high powered employees, the staff costs would jump to 2 million and our food prices are already high.

So many clubs are successful using caterers, the prices are better and service is good. The issue is to find the correct caterer. There are smaller caterers, family businesses which will be quite happy to do business in the Club. We leave this to the GC. They have to do the study. The SISC will not get involved in operational matters.

**Mr. Peter Yu (07838)**, the Vice-President admitted that the F&B salaries are high and the GC needs to work to make it lower. The Club can also look into options like contracting out the kitchen and maintaining our own service. We may not breakeven but the loss will be lesser. On food quality, it's a subjective matter, next year we may talk about it again and whatnot.

**Dr. Michael Chiam (15228)** stated that we need to look at what actually went wrong. He and Mr. Bruce Chan were co-opted into SISC to look into some of the details. In

regard to F&B, what is needed is patronage of the Club. Unfortunately, we have plenty of facilities but patronage was not there. He also found that a lot of new members joined the Club with good intentions and pledged to patronize the Club, but he hardly sees any of them coming to the Club. He said in his study on new members and their spending in the Club, some just spend barely to meet the minimum spending requirements. The SISC have the details showing the spending of members and many barely made it. That's the most important question before we decide what to do with F&B.

**The President** then asked the floor if there are any more questions on the Report. If not, he asked that someone from the floor to propose to receive the Report.

**Mr. Yap Yok Foo (15192)** proposed to receive the Report and **Mdm. Goh Kua Bee (14973)** seconded.

**The President** stated that with the receipt of the Report, the SISC is now discharged and the meeting will move to Agenda 2 of the meeting.

**Mr. Patrick Chiam (19185)** interjected and states that a question was asked and for the benefits of the members, he would like to clarify. The SISC studied the spending of new members who have joined the Club the last 3 years. The SISC had a whole list of new members spending, without their names and membership numbers. There were quite a number of new members that have zero spending in a year. He proceeded to give the breakdown of the spending by the new members. In 2013, we recruited 77 new members, those who spent less than RM 600 is 51 members. In 2014, these same members, 21 members spend less than RM 600. In 2015, 28 members spent less than RM 600.

In 2014, 75 new members joined, 42 spend below RM 600. In 2015, 95 new members joined, 55 spend below RM 600. So the new members were also not spending in the Club. The 50s and 60s age groups make the biggest number of members in the Club. The SISC studied on the top 300 spenders in the Club on an annual basis and found that there are 7 to 8 members in their 70s in the top 300. The second categories of top spenders are those in the 60s followed by the 50s. Younger members are not spending in the Club neither are the new members.

**Mr. Bruce Chan (11196)** said he wanted to give a balanced view on membership, as so far the House had only heard one point of it. According to him, quality of members was questioned and there were hint on the reduction of membership price. The GC is the one who determines membership price and it did reduce the price. He remembered that for the longest time he was in the GC, in the books there are more than 200 terminated memberships that never reduced over a long time. Part of the reason the bad debts written off was because of these 200 plus terminated membership whereby there was recognition of accrued interest and liquidated damages as profits. We did reduce it and the dramatic effect is we reduced it up to 80 presently. As for whether

new members are active or not, he does not have the figures. He mentioned that there was also a question posed earlier that we should look at how we do catering in terms of whether the membership is spending. He wanted to put forth his question in the other way round to the House. Shouldn't we look at what the Club is offering to attract the younger members? Based on demographics, most of the spending members are above 55 years old. He added that demographically, 75% of the memberships are above 55 years old. The younger members formed a very small community in the Club. So the Club really needs to think of something to attract them. He just wanted to give a balanced view so that the House can make a balanced decision later on.

**Agenda 2: to deliberate and adopt any of the suggested options or a combination thereof, with or without amendments, or any other options that may be proposed by the members present at the meeting.**

The meeting then proceeded to item 2 of the Agenda which is "to deliberate and adopt any of the suggested options or a combination thereof, with or without amendments, or any other options that may be proposed by the members present at the meeting".

**The President** then handed over to Mr. Peter Yu, the Vice-President, to make a short presentation on the financial position of the Club and to consider a proposal from the GC.

(A two page financial projections with conclusion are handed out to the members present)

**Mr. Peter Yu (07838)** told the House that it needs to make a decision today. He felt comfortable as he recognized most of the members present today where else in the last AGM, he could not recognize 80% of the members. He said his proposal is very short and he does not want to give the members too many numbers. He proposed a 30% increase in subscription. Since 1993 till today, the subscription fee has remained at RM 100 and this does not make sense. If the Club would follow the consumer price index, members will be paying RM 180 today. The Club is now over 30 years old. He said that he is not talking about additions to the Club but repairs. The Club just repaired the tennis courts, swimming pool, the roof of indoor tennis courts and will soon repair the kitchen to more or less its original state. According to his calculations, the Club needs approximately RM 1.6 million to repair its facilities. The roof is leaking badly. Soon, the members will not have hot water bath as one of the two water heaters is already out of commission and if the one left is also out of commission, then it will cost the Club RM 150K -200K to replace it. The water tank, ceilings and plumbing won't last forever. He said as per the financial projections, the GC recommends a RM 30 increase in subscription as it believes that this will just hold the fort. It will allow the Club to survive so that the time deposits of the Club will not drop too low. It must be reminded that some of the time deposits cannot be touched as it is reserved for retirement funds for staff and members' funds. The time deposits will also allow the Club to have a buffer in

case the Club experience some bad years ahead. The time deposits are a safety margin.

He further states that losing money is always an option in a Club's operations. It is viable option if a club has a lot of time deposits. But it's not an option to the Club now as the Club does not have much time deposits left. He urges the members to vote for the RM 30 increase in subscription so that Club can be maintained. The work is not done though as the new GC will have to work to increase the time deposits and revenue and cut cost.

**The President** thanked Mr. Peter Yu for the presentation. He then directed the House to the 3 options put forth by SISC. Option 1 which is to increase by RM 50 in subscription fee is the original proposal by the GC. The GC is now proposing RM 30 as it felt this amount is acceptable to the members. The Club will have a buffer and the incoming GC will have to do their work. They will have many areas to look at especially those areas highlighted by the SISC. The GC has now made a proposal. So he asked the House whether the members have any other proposals.

**Mr. Patrick Chiam (19185)** told the GC that at least now we are in agreement. He said Option 3 in the Report is similar to what Mr. Peter Yu is saying, that is, the Club needs money to repair & improve. The difference is SISC is proposing RM 20 over 2 years which will give an amount of approximately 960K. The GC wanted RM 30 which will worked out to approximately RM 1.44 million. The other difference is the SISC is proposing the money goes to a development fund, which means it can only be used specifically for improvements of the Club. Increasing the subscription brings in the money but it does not limit its usage to improvements in the Club. That's the two differences. SISC is more comfortable if it is a development fund. This development fund can go on for 2, 3 or 5 years until all problems are resolved but it will not go on for a lifetime like a subscription increase.

**Mr. Barry Chong (09713)**, the Secretary of the Club, then commented that under Rule 22(i), the Club can charge a subscription fee of RM 100 or such other amount as prescribed by the General Meeting. Rule 22 (iv) provides that the Club can charge a minimum spending amount of RM 600. There is no other provision besides these two charges that the Club can levy. He is afraid that the proposed development fund is not covered by the Club's Constitutional Rules and therefore may not be legal. This must be considered by the House. If we called any proposed increase of monthly payments by any other names, he is afraid that it is not covered by the Club's Constitutional Rules.

**Mr. Patrick Chiam (19185)** stated that years back the Club has a development fund for some years and asked the House whether there was anyone present today who were there at that material time and who can advise the House how the Club did it then. He added that we did not change our constitution when we did that. He had not look into the constitution on this part. All he knew was it has been done before.

**Mr. Daniel Chi Kok Leong (14465)** enquired whether there a provision in the constitution whereby if we increase the subscription fee we can earmark a certain portion of it to development. He added that we can increase the subscription fee but we should have the power to earmark a certain part of the RM 30 specifically for development. He doesn't think there is any legal issue arising from this.

**The President** stated that there can be an increase in subscription by the decision of the House. The House can then direct the GC to set aside the RM 30 for development. This, in his opinion, is one of the ways that can be done. He is also aware that there is a development fund previously. He had checked the constitution and had also asked the management to check backwards whether there was such a rule or probably they have amended after, but he could not find anything to that effect. So what the GC proposed is that the RM 30 increase in subscription can go to a designated account, only to be used for that matter.

**Dr. Michael Chiam (15228)** remembered that he was in the GC when the Club first introduced the development fund. At that point in time, the Club was in a difficult position, things needed repairs and there was an on-going court case with the developer of the Club. The development fund was proposed at an AGM or EGM and was carried. He questioned, constitutionally, are we doing the right thing today as no proper notice was sent to members in respect of the resolution of the increase in subscription of RM 30 put forth by the GC today. In addition, the AGM today is to consider the 3 options put forth by the SISC and the House has not even voted on it. He leaves the matter to the Secretary to decide.

**Mr. Paul Ong Siew Keet (1518-9)** stated that Dr. Michael Chiam's reservations are unfounded as item 2 in the Agenda states "or any other options that may be proposed by the members present at the meeting".

**Mr. Benjamin Siew (08989)** commented on the legality of the development fund. He remembered in the 90s, the development fund was proposed at an AGM and the fund was specifically for a second badminton court. So the development fund is a legal way but how the GC did it then, he had no idea.

**Mr. Bruce Chan (11196)** stated that there is a lot of confusion about the agenda of the meeting. There is no resolution in the agenda. It says to receive the Report of SISC. The Report is now received and the House should be guided by the recommendations of the Report since there are no other debates. The GC has to be guided by the Report until it comes back with a resolution to the House which may vary with the Report. So, he opined that no decision can be adopted today.

**The President** replied that item 2 of the agenda specifically states "or any other options that may be proposed by the members present at the meeting". The GC is also members of the House. So the RM 30 increase in subscription is the recommendation of the GC and it is up to the members to decide. He added that the GC has highlighted

the legality of any new charge to be levied on members as far as the constitution is concerned. The view of the GC is as long it is not in the constitution, it will not have any effect.

**Mr. Patrick Chiam (19185)** commented that if we go into legality issue, then a proper resolution needs to be circulated within 21 days before a meeting. The House has waited 9 months for the Report, it should wait another 32 days and hold a meeting to get things properly done. He cited that the Club has funds for sports and recreation sections yet no constitution was mentioned in respect of them. Bottom line is we are just raising funds to repair the facilities. He just wanted things to be done properly.

**The President** replied that the many funds created in the Club are specific funds. There is provision in the bye-laws that allowed the Club to charge those amounts into the funds for tennis or any other sports. The development fund, however, is a charge on the entire membership. It is important this is done in the confine of the Club's constitution. This is the view of the GC but will leave it to the House to consider the options proposed by SISC and at the same time the proposal made by the GC.

**Mr. Robert Choong (08895)** stated that as the increase of subscription affects 2,000 members while there are only 50 plus members present today, the proper way is for the House to agree and adopt a resolution and forward it to an AGM to decide. At the AGM, the GC should also propose how it will contain spiraling costs especially the F&B staff costs.

**Dr. Michael Chiam (15228)** who had copy of the constitution in his hand said an increase in subscription requires amendment to the constitution and therefore requires a resolution. So the proposal by GC is only valid if there is a resolution sent out. He added development fund is not in the constitution. He then suggested expediting the meeting with the House deciding on the 3 options proposed by SISC.

**Mr. Daniel Chi Kok Leong (14465)** said we have a GC which represents the members and acting on the interests of the members as well in compliance with the constitution. He said the House can make a decision on the quantum, duration and the purpose of the development fund. Whether it's a development fund or part of subscription fee, the House will leave it to the GC. He added that too much are discussed on legality. Let the GC act in accordance with the constitution. He also felt Mr. Robert Choong has brought up a good point which is how we control our finances. In the long run, we need operational excellence to sustain the Club.

**Mr. Patrick Chiam (19185)** suggested adding the proposed increase of RM 30 in subscription by the GC as the 4th option. As the AGM is coming up soon, put in a proper resolution and have a vote taken.

**Mr. Khong Chee Kong (19952)** refers to the options in the Report. He quoted option 1 which states "Status Quo – that is to continue operating the Club as is currently done, then the members must agree to increase the subscription as proposed by the General

Committee". However, he could not find the increase of RM 30 in subscription fee proposed by the GC in this option. On the financial projections, this was only given after deliberations and adoption of the Report. In addition, the projections did not project the capital expenditure for the next few years. The 1.1 million F&B staff costs for one year for the additional 25 staff works. If say approximately RM 100K per month for 25 staff, then one staff is getting approximately 4K per month. He asked whether the House can accept this. He mentioned that one of the SISC members has earlier stated that quality and patronage have improved but questioned how much of the F&B turnover is actually from last the few months of the minimum spending period. As such, he told the House not to let the numbers fool them in respect of the quality of food served. He agreed that an outside caterer should come in. He asked what the viability of the Club is. He then highlighted the statement made in respect of Lila Sari in the Report.

**The President** replied that some of the numbers mentioned by Mr. Khong were quoted out of context. The 1.1 million should not be divided by the 25 staff to arrive at the figure of RM 4K.

**Mr. Robert Choong (08895)** commented that what the President said is serious. If the numbers given to SISC is wrong, the whole Report should be thrown out. The President should have disputed the figures from the start.

**The President** again reiterated that what is stated is taken out of context. The Club will provide the details to Mr. Robert Choong.

**Mr. Patrick Chiam (19185)** clarified that what the SISC meant "by the employment of 25 staff" is the salaries for F & B operations escalated from 600 over thousand to 1.1 million. The 1.1 million is not only from the 25 staff. He added all figures in the Report are extracted from the audited accounts.

**Mr. Khong Chee Kong (19952)** highlighted page 2 of the Report that states "...Food & Beverage operations, in particular the Staff Cost which escalated from RM69,257 in 2011 to RM1,119,677 in 2015 with the employment of an additional 25 staff resulting in losses totaling RM530,705 from August 2012 to December 2015". At this point, **Mr. Patrick Chiam (19185)** interjected and said it is 69K and not 600K as mentioned by him earlier.

**Mr. Khong Chee Kong (19952)** then said the increase is almost a million be mere increase of 25 staff. He questioned whether the Report is correct.

**Mr. Patrick Chiam (19185)** informed Mr. Khong that when the Report was given to the GC, a meeting was held between the SISC and the GC. In addition, he also requested the Finance Manager to check the figures in the Report.

**Mr. Khong Chee Kong (19952)** then stated that what he calculated earlier of 4K per staff is not erroneous or out of context. He said it could be around 3K plus and asked whether the Club pays this much to serving staff and since Mr. Patrick Chiam has said that the Club don't have a cost controller, receiving people, menu planner and etc.

**Mr. Paul Ong Siew Keet (1518-9)** clarified that in 2011 the F&B is operated by an outside caterer. The 69K is just the staff cost to support the caterer. In 2015, it increased to 1.1 million because we are operating the F&B ourselves. That is where the difference is.

**The President** thanked Mr. Paul Ong for his clarification.

**Mr. Robert Choong (08895)** asked the GC to check and reconfirm the F&B staff costs of 1.1 million. According to him, in the financial projections under the 2015 column, staff costs are 1.9 million. He asked why the difference.

**The President** explained that when the Club took over the F&B operations, we only had skeleton staff. That's why the amount is small then. Over the years, staff was brought in to man the kitchen and service. That is the reason for the increase in numbers and costs. In reply to Mr. Robert Choong's query, the staff cost of 1.9 million is for operations of the club while the 1.1 million F&B staff costs were included in the F&B results of 200K loss.

**The President** replied that based on latest information for staff costs, in the kitchen, the highest paid to a chef is RM 5,000. Others are paid between RM 1,150 to 2,002. For service, there is 10 staff below RM 2,000. So it's not 4K on average.

**Mdm. Foo Swee Sim (01180)** asked whether the figures were inflated because of service point in which the President replied that the Club doesn't have service point for staff.

**Mr. Khong Chee Kong (19952)** said his calculations based on the Report still works out to approximately 3.5K per staff. The President then told Mr. Khong that the Club can give him a breakdown.

**Dr. Michael Chiam (15228)** clarified that in addition to basic salaries, there are also EPF and other benefits as well.

**Mr. Khong Chee Kong (19952)** then enquired about projections on capital expenditure. He asked whether the GC can come back to the House on this before the House makes a decision. He further added that the House adopted the Report which is supplemented by financial projections given this morning. The House was asked to vote on the second item on the agenda today. He said that it does not make sense and felt that he may have given flawed information.

**Mr. Patrick Chiam (19185)** asked which information is flawed, the Report or the financial projections, in which Mr. Khong replied is the Report. Mr. Patrick Chiam said all the figures are derived from the audited accounts including the 69K. Mr. **Khong** retracted the word flawed.

**Mr. Patrick Chiam (19185)** told Mr. Khong that having gone through the accounts, it is very costly for the Club to employ its own F&B staff. In addition to EPF, there are mandatory bonus, retirement benefits, medical expenses for whole family, school books, shoes and uniforms. All these added up will arrive at his 3.5K figure. It is cheaper for a caterer as they don't have to pay these benefits.

**Mr. Patrick Chiam (19185)** told Mr. Khong in reply to his question on CAPEX projections that the GC has a budget for 2016 and the CAPEX in that budget is 314K. Based on this, the SISC worked out RM 20 per month which works out to 480K a year and 960K in 2 years. This is more than sufficient to cover the 2016 CAPEX and also in case something else might happen. That's how the SISC arrived at the RM 20 figure.

**Dato Lee Peng Joo (09551)** said he agreed to option 3 whether it is RM 20 or RM 30 for 24 months. To him the RM 20 or RM 30 will only temporarily solve the problem as the Club will still be in the deficit as per the financial projections. To him, the GC or management should come out with specific action plan on how to overcome the problems faced by the Club and make changes to operations as recommended in the Report.

**Mr. Bruce Chan (11196)** said the discussions today centered on F&B losses and cutting costs. A member also asked if the Club is viable. To him, that is the ultimate question. The Club has been glorious before but it is not today. That does not mean it should diminish our vision to try to get it to a point when we are addressing the issue of contemporary needs. As mentioned earlier, we have a demographic that skewed very heavily to older members who are probably around for the last 30 years. If we start cutting down facilities, we will surely have lower operating costs but we will degrade the facilities and what eventually will happen is more frustrated members and perhaps we will not be able to attract new members at all. Clubbing today is different compared to the past. He advised the members not to be so gung-ho about cutting down but look at what is the vision of the Club and where do we want to take it. Lastly, to finish off today's meeting and decide what to do in the next AGM, the members should follow Mr. Patrick Chiam's suggestion of members voting on the 3 options in the Report and the option proposed by the GC.

**Mr. Henry Leong (12263)** stated that the proposal of RM 30 increase in subscription should be postponed to another meeting with a properly drafted resolution, giving members ample notice plus a robust discussion to take place. The GC should also present how the operational expenses are and how it will be in the future. He cautioned the GC on voting on the subscription increase in this meeting.

**The President** then asked the House to look at the 3 options in the Report. He told the members present that they can propose a resolution or adopt one of the 3 options or the option proposed by the GC.

**Mr. Patrick Chiam (19185)** added that members present can come out with various other options as long as it does not affect any constitutional rules. Increase in subscription affects the constitution hence it must be done properly.

**The President** asked the members whether they have any proposal.

**Mr. Yap Yok Foo (15192)** proposed to adjourn the meeting but the members voted to continue with the meeting.

**The President** started with option 1 which is “Status Quo – that is to continue operating the Club as is currently done, then the members must agree to increase the subscription as proposed by the General Committee”.

**Mr. Bruce Chan (11196)** asked whether the voting taking place would resolve that any one of the 3 options to be carried. He added that a resolution is needed.

**Mr. Patrick Chiam (19185)** said that no resolution is required. SISC suggested some options and the members present have given some ideas. The GC ought to look at all these options and come back to the members at the next meeting with all the proper worded motions, sent out to members with full details and etc.

**Mr. Paul Ong Siew Keet (1518-9)** suggested the GC adopts option 3 and bring it forward to the members in the AGM for approval.

**The President** then asked the House to vote for the 3 options suggested by SISC. 35 members voted in favour for option 3, nil for option 2 and 7 members voted for option 1.

**Ms. Mary Teoh (11594)** said she is confused. She wanted to vote for RM 50 increase in subscription but she thought what is available is only option 3. Option 3 also has different scenarios in it. She is all for RM 50 increase as she said what RM 50 is in today’s rising costs.

**Mr. Bruce Chan (11196)** did not think it’s a big confusing vote. In fact, he did not vote on any of the 3 options. This is because there is a 4<sup>th</sup> option that was not explored which was offered on the table that allows the GC to go back and study the recommendations of the Report and come back at the next AGM. They are so many issues to be deliberated. The GC should come back to convincingly tell the members which direction the Club should go.

**Mr. Patrick Chiam (19185)** said that the House has voted, the SISC has given guidance to the GC that the House favored option 3. The GC should decide whether outlets are to be opened, closed or changed. Even if the Report says changed, the GC needs not agree but have to justify why. If the SISC proposed RM 20 and the GC wanted RM 30, then the GC should justify the RM 30 increase and come back with proper resolutions.

**Mr. Henry Leong (12263)** stated that he did not vote at all and voting option 3 basically fettered the rights of the GC to decide at a later stage or at the next meeting to increase subscription fee. He quoted part of option 3 which states “without increasing the subscription” as his basis . He reiterated what he said earlier that the House should not vote on anything today. The GC should consider whatever was raised in the Report and all issues highlighted by the members today and come back with the best proposal.

**The President** told the members that since Option 3 has already been voted on with a majority in favour, Option 3 is carried. He thanked the members present and closed the meeting at 12.30 pm.

**CONFIRMED:**



**HAN MEAN KWONG  
PRESIDENT**



**CHONG KIM TECK  
SECRETARY**