

UPDATE to Member Clubs re RAL Voluntary Administration

Since the last update of mid-October RMCA has continued to liaise directly with the Voluntary Administrator (pwc), and other key stakeholders. Although there has been plenty of conversation, there remains a great deal of uncertainty. This update provides what we do know and recommendations for club committees.

Late October RMCA wrote to Hon ministers Nash, Robertson & Williams seeking that the government review their decision to not extend support to RAL. Although RMCA cannot claim full credit for the \$4m emergency bridging finance announced early November, we feel we raised good points with the crown regarding the negative impact to clubs, schools, children, families, DoC, mana whenua & the local community; should a solution not be found. On Monday a formal response letter from Hon Nash's office was received. Although it demonstrated some understanding of the significant consequences should the ski-field close, there is no indication of further financial support. However, there is a sentiment that the Minister wants a solution that is positive for the region.

This week the pace of urgency has increased. Although the additional \$4m is helpful, it is insufficient for RAL and the Administrators to make commitments beyond December. Although there is talk of many wanting to provide \$\$, no mechanism has been set up. And in setting up a mechanism, there will be other detail questions to think through and then be written up. The phrase 'it's a chicken & egg' situation, has been mentioned several times. For good reason, there is a hesitancy to commit \$\$ without knowing such things as what benefit would be derived for the donor, how the funds would be spent and an understanding of the future structure for the entity operating the ski-field/s.

Recommendations/Actions for Club Committees: -

1) Crowd Funding

Crowd funding has been mooted as a potential solution, however for decision making it needs to be quantified. The voluntary shareholders/life pass holders group have both a Facebook page (Mt Ruapehu Shareholders & Life pass holders) and a website (save mt ruapehu). The group has posted a feedback form (survey) at the bottom of the page to this link <https://www.savemtruapehu.org.nz/post/crowdfunding-mt-ruapehu>. Please encourage your club members to fill it in.

2) Investment by Club Members

When the time comes for real \$\$ to be invested, RMCA recommends that this be done at (at least) Club level in preference to individual club members and that canvassing of funds from club members could start now. The reason RMCA makes this recommendation is that until there is more certainty, it is reasonable for your club members to not want to part with \$\$ or if they do want to give, to have it held by a trustworthy entity, i.e., their club, until it is needed.

3) Investment by Club Reserves

Some clubs have asked what other clubs are intending to do. Several clubs have held special general meetings and have resolved to financially support the future of the ski-field/s when a mechanism is put in place along with appropriate conditions. Amounts vary from \$20k to \$50k. If your club has made a resolution to invest as part of this process, please advise RMCA.

4) Collective Investment at RMCA Level

An option which RMCA feels may be in the best interests of all clubs, is to invest collectively at RMCA level. This may provide the best opportunity in the event of a new operating entity for the clubs collectively to be a key stakeholder with influence within the entity. RMCA is interested in hearing your committee's feedback on this.

During the 1950's, the clubs worked together to create RAL. It's time to act for what the founders worked for.

Regards

RMCA Executive Council