

MINUTES OF THE 89th AGM HELD ON
SUNDAY 18th AUG 2019
NAROOMA GOLF CLUB LTD
SEAHORSE FUNCTION ROOM 10:00am

Present:

Board of Directors:

G. Lanham	Chair	(President)
C. Fader		(Vice President)
A. Thompson		(Captain)
P. Haynes		(Treasurer)
P. Kearney		(Director)
J. Willett		(Director)
C. Williamson		(Director)

General Manager:

D. Connaughton

Auditor:

Simon Byrne (Kothes)

The Chairman asked for both past presidents, current life members and current club patron in attendance today to stand and be recognised by the members. Ralph Imberger (Club Patron) stood and was recognised by the members.

The Chairman also introduced the committee, Simon Byrne the club's auditor and the general manager.

Members: 39 Full Golf and Life Members

1 Social Member

Total 40

Apologies: Trish & Peter James, Leone Whelan, Barry Pateman & Gordon Roberts

Moved: M. Commins	Seconded: J Boxsell	Carried
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PROCEEDINGS:

The chairman opened the meeting at 10.00am.

The Chairman read out a brief opening statement as follows:

On behalf of the Board of Directors and Management, I would like to thank you for your patronage throughout the financial year.

Although we only made a small profit for the year, we are in the black and we continued to pay down debt and make purchases and improvements through cash flow. We intend to

increase this monthly pay down figure and that should hopefully place us in a position, in the near future, to do something about irrigating the front nine holes of our course. I have heard many comments from our playing members that the Greens Staff are cutting the fairways too short on the front nine. Well, the fairways are cut at the same level on the back nine; the only difference being is that the back nine has irrigation.

Further, we have allocated an annual budget of \$50,000 to enable our Course Superintendent to improve the playability of our bunkers and fairways. Work has commenced on the bunkers on the 4th hole and most of the bare spots on the fairways have either been re-turfed or top-dressed. I understand that the bunkers on the 6th hole will be the next on the list.

This year we also created two new categories in our annual fee list. We discounted the full playing membership annual fees for those members who have attained 80 years of age and who have been active long-standing members and we also created a category for members between 18 and 25 years of age in an attempt to attract younger golfers. You should also be aware that the current average age of our golfing membership is 67 years and like us, getting older each year. We also lose a large number of full-playing members to the social golf category. We are constantly looking at ways to increase membership and provide competitions to keep members in the game.

Ken Adams has been getting up to 40 players in the 12-hole competition and there is a distinct reduction in players when we have an 18-hole stroke or par event. We are aware of the signals this message is sending and we hope to get some change underway soon.

Finally, I would like to mention the background that led to the joint communique between our club and Club Narooma that has been posted on our notice board and web site since 24 June this year.

Club Narooma advertised through the Clubs NSW network calling for expressions of interest from clubs that would be interested in amalgamation. We responded and subsequently had preliminary discussions with our counterparts at Club Narooma. Both Clubs concluded that as both were trading within their financial goals and plans there would not be any benefit to either of the clubs or the community in amalgamate. I do not intend to take questions on this matter during the AGM, however, would be more than happy to answer any questions at the end of this meeting.

Thankyou.

ITEM 1

1. To confirm the minutes of the previous Annual General Meeting held on Sunday 19th August 2018.

(Minutes were available on the club website, front office and at today's meeting for members to read)

The chairman mentioned that a number of recommendations from last year have all been acted upon one way or another and I can go over them now or they can be viewed on the club website.

No questions received.

Moved: J. Gately	Seconded: P. Jones	Carried
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ITEM 2

2. To receive and consider the Directors' Reports and Directors' Statements. President mentioned that the reports have been circularised to members in the Clubs Annual report.

Prior to a motion on the Directors report and statement I would like to introduce the treasurer Phil Haynes to give a brief financial presentation on the year in question.

The treasurer presented a detailed report on the last financial year as follows;

- year on year trading comparison
- balance sheet in particular long-term debt reduction over the past 9 years, which is currently \$906k. Loan is on a variable interest rate of 5.19%
- debt profile 2019/2025
- plant and equipment register course
- capital expenditure forecast 2019/2021
- golf subscriptions have increased on an average of \$52 per annum with subs now covering 36% of the total cost of operating the course
- South Coast club's five-year EBITDA comparisons with Narooma golf club operating better than most of the clubs

The treasurer answered questions from the floor and thanked those in attendance today. The chairman thanked Phil for his detailed report.

Moved: P. Jones	Seconded: M. Commins	Carried
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ITEM 3

3. To receive and consider the Financial Statements and the Independent Audit Report to the members.

The Clubs Auditor Mr Simon Byrne from Kothes accounting associates was invited to give a brief report on this year's financial result.

Simon Byrne read out his report as follows;

The club has had a satisfactory year for trade with a modest surplus of \$61k which included the land sale at Glass House Rocks Road. Three items stand out for the year in question being;

- Increase in depreciation which is just over \$500k due to equipment purchases and club improvements. \$600k has been spent on R&M on both course and clubhouse which is significantly higher than last financial year.
- Wage expenses of \$1.5M has been very well contained by management with only a \$36k increase on the previous financial year being only 2.6%.
- Overall borrowings have also been reduced with the business loan now at \$906k. EBITDA has decreased on the previous year mainly due to a lower than expected retention rate % and is ok but will need to increase moving forward.

One thing the chairman mentioned earlier was that it is a real balancing act each year to increase revenues and reduce costs and debt. Simon mentioned that golf clubs on the South coast are doing it very tough compared to Narooma Golf Club who is travelling quite well.

He also read out a section of the latest IBISWorld industry report on social clubs in Australia which indicated clubs across Australia have a significant challenge from regulators, pubs and on-line sports betting companies and declining food and beverage sales over the last 5yrs. It's difficult to operate with a surplus when revenues across Australia are declining and expense increasing.

On the audit perspective we did not detect any significant weaknesses, by law we are required to write to your board at the end of each audit and inform if there are any unders or overs or any weaknesses in internal controls which I'm pleased to report that the club is running well with no discrepancies to report.

I would like to congratulate the Board on the year you have had and continue to do what you have been doing. Finally, I would like to acknowledge the voluntary work undertaken by your Board and members, congratulations to all involved.

The chairman thanked the club auditor for his report.

Moved: J. Gately	Seconded: J. Boxsell	Carried
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Item 4

4. To decide the following resolutions by the Board of Directors:
That pursuant to the Registered Clubs Act 1976;

- (a) Members approve expenditure by the Club not to exceed \$7,000.00 for professional development and education of Directors during the 2019/2020 financial year of the Club, details of any such expenditure to be made available to the members at the next Annual General Meeting of the Club.
(Expenditure for 2018/19 was \$2,550).

Moved: P. Jones	Seconded: J. Hassler	Carried
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- (b) Members approve expenditure by the Club not to exceed \$5,000.00 for meals and refreshments by Directors when carrying out their duties or when entertaining guests of interest to the Club during the 2019/2020 financial year of the Club, details of any such expenditure to be made available to the members at the next Annual General Meeting of the Club.
(Expenditure for 2018/19 was \$1,498).

Moved: M. Commins	Seconded: S. Richards	Carried
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- (c) Members to approve out of pocket expenses to the value of \$2,000 for the President and Captain and \$1500 for each other Director for the 2019/20 financial year of the club.

Moved: M. Wuttke-Hayes	Seconded: J. Boxsell	Carried
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- (d) Members acknowledge that the benefits in paragraph 4(a), 4(b) and 4(c) are not available to members generally but to Directors only.

ITEM 5

5. Sixth order of business is to deal with notices of motion for which due notice has been given.

The GM reported that he had not received any notices within the required time frame for the meeting.

ITEM 6

6. Seventh order of business is to elect the Board of Directors for the ensuing year in accordance with the club's constitution.

The Chairman mentioned that there was no need for elections this year due to only one nomination being received for the 3 vacant positions.

Therefore, I declare the following positions duly elected and congratulate;

Vice President – Chris Fader (2yrs)

Treasurer – Phil Haynes (3yrs)

Director 3 – Peter Kearney (3yrs)

The chairman also thanked Chris Eardley for his service as Vice President who resigned from the board in Feb of this year.

ITEM 7

7. **GENERAL BUSINESS** (Recommendations to the incoming Board).
 - a. Michael Wuttke-Hayes suggested if trophies for golf events other than the major tournaments could be replaced by club vouchers instead, which could be used in the pro shop, brasserie or bar areas. The club would benefit from this inclusion.
 - b. Rob Gordon asked if the bunker on the right side of the sixth (6th) green could be moved to the left side of the green which would effectively make the area safer for both the first (1st) tee, clubhouse and outside decking area. He also asked if the two (2) trees located adjacent to the third (3rd) tee area could be removed as this would assist a number of senior golfers be able to play to the fairway without any obstacle. Other trees have been removed around the course like the ones alongside the 2nd fairway on the ocean side. The Chairman mentioned we have to be careful on removal of trees around the cliff face and will look at both suggestions.
 - c. Joe Gately mentioned the introduction of the three (3) person Ambrose was a great event and glad to see it return this year. He also mentioned that particular weekend was the 90th anniversary of the club. It's only ten (10) more years for the club's Centenary anniversary. The anniversary should be planned early and include a full week of golf festivities and celebrations. He also mentioned it would be a good idea to include Club Narooma which could hold a bowling tournament during the same week. Another history book should also be undertaken for the 100th year. Thanks for listening.

The Chairman mentioned that the board have been discussing the 100th year anniversary of the club and will certainly be organising a committee in time for such an important event.

- d. Michael Commins congratulated the board for a terrific year and also to congratulate and thank the staff who do a great job and they are appreciated by the members. It's interesting to see the old regime where the emphasis was more on the clubhouse than the golf course and it is terrific that this board acknowledges and promotes the golf course as well. The increases in the membership fees are fine because we can see improvements being made around the course. If we did not see improvements, we would then see some grumbling amongst the members. We can see by looking outside the window what has been done around the course and we can also see and hear what is going to be done in the future so on behalf of all of us thank you.

The chairman thanked Michael for his comments and agreed that we have a great energetic board doing a good job, so it is a pleasure to work with all the people here and I hope we can continue the hard work with the current board in place. The GM and the staff also do a great job.

As we've heard here today all is going well, thank you very much I declare the meeting closed at 11.02am and invite you all to stay a few drinks and some nibbles.