

MINUTES OF THE 88th AGM HELD ON
SUNDAY 19th AUG 2018
NAROOMA GOLF CLUB LTD
SEAHORSE FUNCTION ROOM 10:00am

Present:

Board of Directors:

| | | |
|---------------|-------|------------------|
| G. Lanham | Chair | (President) |
| P. James | | (Vice President) |
| P. Jones | | (Captain) |
| C. Eardley | | (Director) |
| C. Fader | | (Director) |
| C. Williamson | | (Director) |

General Manager:

D. Connaughton

Auditor:

P. English (Kothes)

The Chairman asked for both past presidents and current life members in attendance today to stand and be recognised by the members. None present.

The Chairman also introduced the committee, Paul English the club's auditor and the general manager.

Members: 42 Full Golf and Life Members

2 Social Member

Total 44

Apologies: Marie Clarke, Phil Haynes, Cath and Gordon Roberts, Dorelle Montieth and Jock Munro.

| | | |
|-------------------|----------------------|---------|
| Moved: M. Commins | Seconded: J. Hassler | Carried |
|-------------------|----------------------|---------|

PROCEEDINGS:

The chairman opened the meeting at 10.02am and welcomed those in attendance. The chairman also introduced the committee, Paul English, the club's auditor and the general manager.

The Chairman read out a brief opening statement as follows:

I am pleased to inform you that your golf club is still in a strong and healthy position. We will never show a huge profit as it is not the nature of the country golf club such as ours.

We have a small membership and a course that costs hundreds of thousands of dollars to maintain. True, it is an iconic course and attracts tourists and players and this together with annual fees and club income subsidises the course. Further subsidisation is received through the volunteers that we have at our club.

We have continued to pay down debt and have so far been able to pay for capital equipment out of cash flow. Some years ago we had a lot of leases on various items which have now all been paid less a few course equipment leases.

Thankyou.

ITEM 1

1. To confirm the minutes of the previous Annual General Meeting held on Sunday 20th August 2017.

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

| | | |
|--------------------|----------------------|---------|
| Moved: S. Richards | Seconded: J. Hassler | Carried |
|--------------------|----------------------|---------|

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.

Lindsay Masden asked a question regarding the club's commitment to paying down total debt being over \$1.2million and was concerned about debt being reduced. The club's auditor explained that debt had gone down by \$45k which was between current and none current with principle payments being changed due to accounting standards and that's why it has been reported this way.

Joe Gately interjected declaring a point of order as finance questions have nothing to do with item 2 being the Directors Statements currently being discussed.

John Kemp asked if a microphone could be used next time which the chairman replied one is available now if needed.

| | | |
|------------------|----------------------|---------|
| Moved: R. Sayers | Seconded: J. Hassler | Carried |
|------------------|----------------------|---------|

ITEM 3

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

The Clubs Auditor Mr Paul English from Kothes accounting associates was invited to give a brief report.

Paul English read out his report as follows;

- Operating surplus of \$206,696 12 months to 30 April 2018. We need to take into account the “one-off” transaction of the gain on assets sales of \$160,545 (mostly from land sale) bringing the result to \$46,151 compared to the prior year result of \$98,709. The result is pleasing considering an increase in depreciation expense of \$91,475 due to upgrading equipment, poker machines etc. in this and the 2017 financial year.
- The increase in depreciation expenses in line with the Club expending monies on updated equipment which hopefully contributes more the bottom line than the depreciation expense. The forecast depreciation for 2019 is \$445,000 compared to \$417,184 in 2018 without allowing for any asset purchases/disposals so is something the Board is factoring in to its forecasts.
- Bar Sales have increased by approx. \$14k (1.3%) to \$1,093k. Poker Machine Receipts have decreased by approx. \$8.5k (0.6%) to \$1,460k.
- Course Trading income decreased slightly by \$14k (2.3%) to \$586k.
- Overall wage expense has increased by \$47k (3.3%) to \$1,487k which is in line with award increases so staffing levels remain consistent with the prior year.
- During the year \$658k spent of assets (\$190k on buildings, \$283k plant & equip, \$185k on poker machines), \$96k spent on repaying debt and cash position decreased by only \$137k to \$87k.
- Borrowings have been reduced by \$68k (excluding overdraft) with total borrowings sitting at \$1.2M.
- EBITDA as a percentage of total revenue is at 12.5% (prior year 11.5%, in 2015 7.3%) EBITDA is an industry standard to gauge a Clubs long term viability. IPART (Independent Pricing and Regulatory Tribunal) report is now industry standard. Per this industry standard your club is in the “Changes Required in Short Term” category
- Pleased to report that our audit did not identify any weaknesses in the Clubs accounting internal controls and procedures. I’m required by law (under accounting & audit standards) to communicate to your board of any audit issues we identify. Our findings were reported to your Board in our “audit completion letter / audit management letter”. Minor matters were identified and attended to.
- The result is pleasing considering Far South Coast clubs similar to NGC are struggling to record positive operating results.
- Finally, I would like to acknowledge the voluntary work undertaken by your Board and members – without which you club would not here today

The chairman thanked the club auditor for his report.

Michael Commins on behalf of the member's present thanked the board for a terrific job it just doesn't happen by chance only good professionalism which the board has reflected this and thank them for what they have done. I would also like to take the opportunity in thanking Peter Jones for his terrific years of service.

Chairman thanked Michael for his comments they are much appreciated and mentioned it is not an easy job and we are here for the benefit of the club.

| | | |
|------------------|---------------------|---------|
| Moved: L. Masden | Seconded: R. Sayers | Carried |
|------------------|---------------------|---------|

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 2017/2018 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 2017/18 was \$3,790).

| | | |
|------------------|---------------------|---------|
| Moved: R. Sayers | Seconded: L. Masden | Carried |
|------------------|---------------------|---------|

- (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 2017/2018 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 2017/18 was \$793).

| | | |
|-------------------|-----------------------|---------|
| Moved: J. Hassler | Seconded: S. Richards | Carried |
|-------------------|-----------------------|---------|

- (c) Members to approve out of pocket expenses to the value of \$2000 for the President and Captain and \$1500 for each other Director for the 2017/18 financial year of the club.

| | | |
|--------------------|---------------------|---------|
| Moved: S. Richards | Seconded: R. Sayers | Carried |
|--------------------|---------------------|---------|

- (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.

Nil

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 handed the meeting over to the returning officer to inform the members of this year's election.

The returning officer then declared the following positions for this year as:

Captain – Andy Thompson

Vice President – Chris Eardley

Director 1 – Clive Williamson

Director 2 – John Willett

Congratulations to all candidates and thanks to William Durnan for being this year's scrutineer and I commend the general manger and his staff for the preparation and carrying out of the voting in the club over the last 7 days in an efficient courteous manner. The returning officer then handed the meeting back to the Chairman.

The chairman thanked the returning officer for his efforts again this year. The chairman also thanked those who nominated for positions this time round. Special mention to Peter James the outgoing Vice Chairman for his efforts over the past 3yrs. Peter started painting the club house a number of years ago then going up ladders fixing leaks in the roof and has given a fair bit to this club over the years and thank you Peter for your efforts and time.

Chairman then thanked Chris Eardley for running for Vice President and Clive Williamson for running for a Directors role. Last but not least Peter Jones has been your Captain for over 12yrs which is some mean feat. I personally want to thanks him on behalf of all members here. Captains cop it from all the members and the incoming Captain is an ex fireman who will put the hose on you if you annoy him too much. Peter has done a fantastic job for this club over the years and we should all be very grateful for that and congratulate him from the bottom of our hearts. Peter will still maintain his position of vice captain of the district.

Andy Thompson welcome on board I'm sure you will be supported by the members and you're working match committee.

Lindsay Masden introduced himself and mentioned he had nominated for a Director's position. He congratulated John on his position and said he knows he will be a dedicated member and will contribute a lot to the club. Lindsay also said that he would be happy to support the club, committee and general manager in any way he can.

The chairman said we have a healthy club when more than one person nominates for a board position and thanked Lindsay for his nomination.

ITEM 7

7. **GENERAL BUSINESS** (Recommendations to the incoming Board).

- a. Before we go into general business I have an important presentation to make. Austin Hanna who was a long serving life member and patron of the club sadly passed away during the year. The board discussed who would be most suitable to take over the vacant patron's position and have unanimously recommended Ralph Imberger to be the new club Patron. Ralph was asked to come to the front of the room and be presented with his certificate.

The chairman mentioned that we see Ralph day in day out here at the club carrying out tasks associated with golf competitions. Ralph was congratulated and thanked for what he does for the club on a voluntary basis and he was presented with his certificate of club patron of the club.

- b. Lindsay Masden had two suggestions for the board being:
- a two tiered membership fee for full and social golf members:
 - if you accumulate say 500 or more points during the year say \$900
 - if you do not accumulate 500 points say \$1200
 - develop and promote a package to attract young players. The package to possibly include:
 - reduced fee for say under 25s
 - NGC facilitating any government rebates for the applicant
 - six week coaching clinic similar to the lady's clinic here
 - full golfing rights
 - an underage golf competition say once per quarter
 - promoted using a DL brochure distributed through schools, TAFE and employment offices, plus being featured on the NGC website and Facebook page
- c. Robert Sayers suggested the club utilised email communication as opposed to postal communication. Email is the main form of communication and should be utilised more by the club. It will save the club money and a database should be expanded for this purpose.
- d. Kirk Ryder suggested the club's Wi-Fi system be improved as communication drops out frequently.
- e. Derek Smith said a number of members don't have computers and cannot receive emails so postal information will still need to be used. There should be a choice of both.
- f. John Willett also mentioned one of the issues he was concerned about was the effective use of IT within the club and a full review could be beneficial to the club and happy to assist if needed in this area.

- g. Frank Clarke mentioned he would like to see more ground under repair work identified with white paint. The chairman mentioned that golfers can take relief from these areas as identified on the local rules for situated at the golf shop.
- h. Michael Commins suggested it was an appropriate time to have an open forum with the greens committee to talk about issues relating to the course, what's happening on the course and what constraints have been implemented. This may also stimulate more interest in volunteer numbers. The course chairman agreed with Michael's suggestions and agreed to holding a forum for the members in the near future.
- i. John Hassler asked if the greens staff when using the blower early in the mornings could start from the 18th and work back through the course as at the moment they can be with you for 5 to 6 holes. The chairman said he would pass this on to the course superintendent.
- j. John Kemp asked if the club could look at allowing points accumulated on the member's card be used to pay the annual membership fees. Joe Gately said this has been reviewed by numerous boards over the years and has not been allowed as it will affect the cash flow of the club especially during the winter months. The GM agreed with Joe.
- k. Jon Guyver asked if the Thursday comps could be changed around from time to time instead of having a Stableford event every week. He also asked if the alternative tees could be used more often. The course chairman said the match committee will review all competitions and that the use of alternate tees on the 2nd & 12th have been introduced on the first Thursday of the month. The 6th tee will remain as is due to danger of hitting the clubhouse.
- l. Robert Sayers asked if the course rating of 138 could be re-rated as he considered the rating to be too high especially for visitors coming to play this course as they generally get shots back on their handicap.
- m. The club captain said once the IT system within the club is capable of sending and receiving emails feel free anytime to send in suggestions regarding competitions or matters relating to the course.
- n. Deirdre Landells formally thanked the board and staff for their support with the recent legacy charity golf day and members for being able to hold the event and others during the year. The committee raised \$5000 which was an excellent result.
- o. The chairman said that some of the questions raised here today indicate that having a forum to let the members know what was happening with the club should be held once during the year.
- p. John Kemp suggested that all members over 80 years old should be allowed to hit off from the lady's tees on any hole they wish too. The course chairman responded by saying there will be a short course introduced that will help those members suggested to play in certain competitions.

The Chairman thanked the board, Paul English the club's auditor who drove up from Merimbula today, the outgoing members of the board, welcome to the new incoming board members, thanks to Joe Gately for his contribution as the returning officer, the GM for preparation of the meeting today and all the members here today. I declare the meeting closed at 10.50am.

Members were invited to stay for a beverage and a few nibbles.