

Minutes  
**Murray Bridge Golf Club Inc.**  
**ANNUAL GENERAL MEETING**  
**Monday 31st October 2016**

7:30pm.

1. **Welcome:** - President Roger Wickes welcomed all present to the meeting.
2. **Present:** (63) R.Wickes, S.Cocks, S.Antel, A. Appleyard, G.Baker, D.Behlau. J.Bell, M.Bolton, P.Canaway, F.Carter, B.Clark, R.Cocks, K.Durham, G & M Edwards, S.France, R.Gerlach, K.Graetz, H.Gray, M.Grundy, L.Gutschke, K.Hosgood, N.Hutchens, G & L Jericho, G.Keller, A.Kniebeiss, J.Leane, D.Lewis, E.Llewellyn, D.Lubcke, R & B Magor, S.McGlashan, A.Meddle, D.Moloney, J.Morrell, B. Mumford, T.Mundy, J.Munt, L.Norrish, E.Paech, A.Payne, G.Pearson, M.Perrey, P.Phillips, D.Roselt, J.Scannell, M.Scannell, P.Secker, J.Smith, B & B Smyth, B.Squires, R.Teasdale, J.Tubbenhauer, R. Walters, S. Warner, D.Wickes, E.Williams, D.Woolford, J.Wright, V.Zerk .
3. **Apologies:** - (20) Graeme Munt, Des Ayres, Ken Parbs, Jo Leese, Rod Foreman, Neil Paech, Kathy Pfeiffer, Grant Christiansen, Rod Foreman, Nathan Ackland, Jeff Hall, Gavin Sanderson, Barry & Dawn Stacey, Dwayne Cocks, Deidre Cocks, Mal & Lyn Pitcher, Maureen Johnson Sid Robbins & Graham Buttle.
4. **Minutes of Annual General meeting held Monday 26<sup>th</sup> Oct, 2015** (Posted on club notice board)  
K.Graetz moved minutes be accepted as true & correct record, 2<sup>nd</sup> Peter Canaway - carried.
5. **President's Report:** President Roger Wickes then addressed the meeting with his President's report which included an overall report on the following issues:-

The Highlights

- *The successful events of the Pro-Am and the Masters Games.*
- *The installation of the solar panels and, from the experience of the last 9 months, an expected payback period of 5 years.*
- *Again maintaining playing member numbers despite many retiring from golf.*
- *The improvement in the Golf Shop with Shanah Scott providing both a professional service and a revamped Golf Shop.*
- *A well run and supported Women's Open Golf event.*
- *The introduction of both a blue ribbon and pink ribbon day in 2015.*
- *Settling in of the stormwater program with the Council and replanting of the water hazard.*
- *The good playing fields over the winter months with increased numbers from Echunga and Mt.Barker.*
- *Improved and timely Financial Audit arrangements with significant support from Perrey and Bozzetti.*
- *The improvement in meals with the employment of a qualified chef and the reintroduction of Saturday lunch.*
- *The significant support from members in considering a proposal to merger with the Murray Bridge and District Community Club.*
- *The exceptional condition of the course for the Masters Games and Pro-Am and the continued compliments from visitors on the excellent playing conditions of the course..*
- *The review of the voucher system.*
- *The Presentation Night where the trophy winners and golden golfers received awards.*
- *The numerous events such as Sponsors Day, the Ham and Turkey day, Open Days and Night Owls.*
- *Introduction of a weekly 18 hole competition.*

The challenge for the future is:

*The continuing decline in income from the gaming machines and periods where members who are retired travel. This means we are not able to maintain the club's infrastructure in line with the asset replacement program.*

*The Murray Bridge Golf Club continues to provide services to members at a much lower cost compared with Golf Clubs of similar standard in the region. It is time to review this level of support as the agreed reduced membership fee has not attracted a significant number of new members as expected.*

*There are a number of areas of activity that I would like to make special mention of.*

- **Pro-Am and Masters Games.** *These were excellent events and the Golf Club received excellent publicity. We must particularly thank the extensive efforts of Mildy Raveane and Damien Moloney for their work in gaining extensive sponsorship for the Pro Am and Shanana for his final planning organisation of the event. With regards the Masters Games we must thank Ken Graetz & the Club Match Committee for this well organised and successful event. Additionally we thank the many members and staff who contributed in preparing the course and organising the day-to-day arrangements.*
- **The Strategic Plan for the Club.** *The Plan is driving the business of the Club and a short report is attached. It has now been three years and a revision of the plan as a three-year plan will need to be undertaken in 2017.*
- **Capital funding.** *The Management Committee has updated its capital replacement program but was only able to fund the investment in the solar panels. There is a need to replace machinery and assets in the Golf Club rooms but these have been on hold as there are inadequate funds to make these purchases. The activities of the Golf Club Rooms do subsidise the playing of golf and many players do not use the services of the Club-rooms. This inequity needs to be addressed and some reinvestment into the Club-rooms made.*
- **Upgrading of the Paths.** *The work for the dole system has improved most of the paths on the course. Unfortunately the scheme has ceased but we must thank Mildy for the idea as the Rural City of Murray Bridge has successfully used the same system.*
- **Proposed Merger with The Community Club.** *The support given at the Special Meeting for investigating in detail the proposed merger between the Golf Club and the Community Club was very pleasing. Unfortunately the time line was very short and the Community Club had to make a quick decision. However the concept is one that should be further investigated. There are a number of clubs in SA and interstate have prospered from making a similar merger.*
- **Women's Committee.** *The Women's committee is very active and ran a successful Women's Open Day this year. Jill Morrell and her management team has done a great job this year and have recently developed a proposal to attract more Women members to the Club based on our strategic plan.*
- **Volunteerism.** *I am impressed by the number of volunteers that take on tasks around the Club. We cannot afford to have enough paid staff to do everything that is needed and a good mix of volunteering and paid staff is helping keep the fees down.*
- **Golf Shop.** *After a period of different models of operation we introduced for the Golf Shop, the most recent proposal by Shanana Scott to upgrade the Golf Shop and provide professional services has gone well. His management of the Pro-Am and Women's Open Day were excellent. We agreed on a one-year contract with him to see how it would work. I am hopeful that there will be a continuing relationship in the future and this needs to be negotiated before the end of the calendar year.*
- **Sponsors.** *We do have a good range of sponsors and they are very important to the financial wellbeing of the Club. We had additional sponsors for the Pro-Am and Masters Games that helped make those events successful. I can only hope that we as members return the favour by supporting their businesses.*

*The course continues to be in excellent condition thanks to Malcolm Grundy, Malcolm McDonald and Joe Ross. The Grounds Committee, led by Graeme Munt has maintained an overall strategy for the grounds.*

*Fred Carter, Glen Jericho, Mal Pitcher and Dad's army continue to provide a significant contribution. A special thanks to those who helped prepare the course for the Masters Games and Pro-Am and repair the course following the storm event. The condition of the course continues to give the golf club a good reputation.*

*Ken Graetz as Captain and Murray-Lands secretary continues to put in significant time and expertise to make golf in our region enjoyable. He stepped in at short notice two years ago and has done a great job. He is standing down as Captain and we thank him for a great service to the Club. I am sure he will still provide us with help from his extensive expertise. He has been well supported by the Match Committee and by Shanana Scott and Michael Potts.*

*Stephen Cocks and Tasha Smith team well to keep the operation of the Club operating successfully. It is a seven-day a week operation making it more complex than many operations. Stephen put in a great deal of work into the proposed merger and into understanding the financial position of both*

*Clubs. At all times he had the future of the Club at heart even though the result may have not been in his personal best interest. It is pleasing he has a plan to reduce the liabilities of the Club but it will rely on more members volunteering to fill some of the gaps.*

*Sue Antel and her Finance Committee watch the money closely. As presented at the Special Meeting it is a concern that the financial reserves of the Club have been reducing gradually. Initiatives that the Management Committee has made to increase income have partly offset this decline but the gap still needs to be addressed if we are to continue as a viable Club. When compared to equivalent courses in our area our membership fees are still by far the cheapest.*

*Damian Moloney chaired the House and Marketing Committee and with the marketing skills of Mildy Raveane, there has been a strong link with the strategic directions of the Rural City of Murray Bridge. Following the successful Pro-Am event we look forward to the same event next year.*

*The employment of Kyle Bennett, our trained chef, the kitchen has returned Friday nights to a success and the large number of Saturday players has made lunch on Saturdays also successful.*

*Barry Clark and Heather Gray have been busy with many events and functions and we thank the volunteers who have helped them serving food. Barry and Heather have continued to run a great bar and make members feel welcome.*

*I must thank the members of the Management Committee who have been a great support throughout the year. It is a highly skilled group with a commitment to the Golf Club. Many of the Management Committee members have taken on responsibility for areas of activity of the club and there has been much constructive discussion throughout the year. For those who are not continuing, I would like to thank them for their valuable input and commitment to the Club.*

Pat Secker moved the President's report be accepted, 2<sup>nd</sup> by Damien Moloney – carried.

**6. Financial Report** – Finance Chairperson Sue Antel opened her financial report outlining the Auditors Report on 2015-16 financial year - (As per detailed report provided)

- *Sue commented that once again the overall result for the Club for the financial year 2015/2016 is not at all satisfactory for the long-term financial health of the Club. This financial year the Club had a trading loss before depreciation of (\$17,128) and after depreciation the Club made a loss of (\$80,790). Because the Club has not made a profit for a number of years the available cash is diminishing every year and we urgently have to reverse this trend.*

**Profitability of each Department:**

- **Bar:** *The bar income was down by \$12,933 (5%) and this is a continuing trend. We believe this is due to the general public being increasingly aware of the penalties for drink-driving. The Bar staff are also responsible for manning the gaming which is a very important source of income for the Club.*
- **Kitchen:** *The kitchen has had a good year and the income is up by \$22,173 (11%) The comments from diners have been very positive. The kitchen and bar trading figures have been grouped together this year and the combined profit is \$13,715. The staff have to be congratulated as the Clubhouse generally turns a profit.*
- **Gaming:** *Once again this year we are relying on the Gaming income to assist the Club financially. This year the income was virtually the same as last YTD with expenses being slightly higher, however, the trend in the industry is downward and this is likely to continue with so much more gambling available on the internet.*
- **Golf/Match:** *The result for Golf/Match is better than last year with income of \$387,646 against the previous year of \$373,186 which is \$14,460 (3.87%) up on last year. The membership subscriptions income is down by \$7,579 (4.9%) and the \$4.00 component of the subscription fee is down (\$1,222) (4.70%) so our hope that we would gain 100 new members and boost the subscription income has not eventuated. Green Fee income was also down by \$6,668 (5.8%). Men's competition was up \$9,202 (20.4%) and Ladies was up by \$2,194 (43.6%) helped again by the number of Echunga players who regularly play in winter plus the events the Club hosted during the year. Sponsorship income also increased by \$16,770 due to these event*
- **Social/House:** *Both Bingo and Social/House activities are very steady money earners with income of \$44,627 a slight decrease on the previous year's income of \$45,643. On behalf of the club members I thank Don Barton, Eric and June Rodda and Robyn Teasdale for continuing to run a very successful bingo night each Thursday.*

- **Grounds:** *The expenses for grounds increased this year but considering we had quite a number of major events and the cost of materials and wages have both increased I think it was to be expected. The total expenditure for this financial year was \$236,888 against last year's \$216,263.*
- **Administration:** *Administrative expenses have also increased this year for very similar reasons. The council rates, wages and material expenses have all increased. Expenses are \$268,279 against last year's expenses of \$259,228.*
- **Golf Shop:** *The Golf Shop income was \$73,133 slightly better than last year \$72,739, however, the Golf shop made a loss of \$20,370 which is an improvement on last YTD \$26,671. The Management Committee believe Shanana Scott is doing an excellent job and he is bringing more people to the Club and putting a lot of effort into Junior golf which is vital for our future.*
- **Overall Financial Results for 2015/2016** *With a significant loss in 2015/2016 we are well short of covering the depreciation of our equipment. This year's depreciation is \$63,662. The Golf Club has ended the year with \$56,151 current cash and floats on hand, \$7,884 in a cash management account and a CBA commercial bill for \$77,400 totalling \$141,435 less the provisions for Long Service Leave and Annual Leave which is \$136,175 however, not all of this is due right now, but it leaves a very small net amount of \$5,260. The Management is focussed on reducing the amount of Long Service and Holiday leave within the next 12 months. The available cash for the Club has been declining for a number of years and it is now time to take action to stop this. The Club has no overdraft funds in use at the moment and the Management Committee does not recommend that the Club borrow any funds.*

At this stage Sue Antel opened the floor for any financial questions.

With nil questions put forward, Sue moved that her finance report be accepted. 2<sup>nd</sup> P.Secker -carried.

#### 7. **Appointment of Auditor**

Sue Antel outlined Committees actions since the 2015 AGM decision to re advertise this appointment. With nil positive replies and with the assistance of Michael Perrey & Peter Canaway in a restructure of the Auditing process the previous Auditors Messenger Zerner & Associates were re-appointed for this financial year.

Having been satisfied with this revised appointment Sue Antel moved that Messenger Zerner & Associates be re-appointed for the 2016-17 financial year. Motion 2<sup>nd</sup> by Jeff Wright – carried.

#### 8. **Membership Fees for 2017 / 20187**

R.Wickes opened discussion with a power point presentation on screen which pointed out comparisons of similar club fees & comparisons of the end of financial year balances since 2011.

##### **Background**

*The Constitution of the Golf Club requires the Management Committee to make a recommendation to the AGM for the fees for the following year. Unfortunately it means that it is 9 months before the fees can be implemented.*

*As discussed at the recent Special Meeting about the proposed merger with the Community Club the reserves of the Golf Club have been steadily decreasing to the point that the capital items that are needed cannot be purchased. The following Table 1 presented at the Special Meeting demonstrates this.*

*Table 1 Six years trading at the Golf Club (\$000's)*

June 30	11	12	13	14	15	16
Cash	252	221	175	209	170	141
Commitments	98	76	91	108	124	136
Available Funds	155	145	43	101	46	5
Audit P&L	21	17	-60	23	-63	-81

*To address the decline in income in 2013, a Special Meeting of members decided to change the fee structure as there were golfers leaving or joining other Clubs who were offering specials. It was agreed to reduce the annual fees and offset the difference with a \$4 'User Pays' fee when playing in a competition. At the time it was expected that many would come back but only one*

re-joined. The membership of the Club has remained about the same with people retiring from golf and new ones replacing them. This is a positive given the decline in golf players nationally has been over 20% in recent years.

Equivalent Clubs in our zone have a much higher membership fee. Mount Barker fees are \$1067, Mount Compass fees are \$1250, South Lakes fees are \$1265 and Victor Harbor fees are \$1412. The Murray Bridge Golf Club has relied on the gaming machines to keep the fees low and while they are still make a significant contribution to the budget; their return has been steadily declining as people turn to other forms of gambling.

The gaming machines are not making anywhere near the income of 10 years ago. In 2011 they made 23% of our income and this has now fallen to 18% of our income. Compare this to membership's fees that only produce 12% of our income. It's worth noting that in 2007 these figures were gaming machines 31% and membership was still at 12% of our income. Most comparable clubs receive more than 27% of their income from membership.

The current fees for Murray Bridge for a full member is \$566 plus \$44 for Golf SA and a (User Pays) fee of \$4.00 per competition played (\$10 = \$1 Grounds, \$1 House, \$4 Comp Fee & \$4 User Pays). The average fee over the year has been \$653 plus \$44 for Golf SA.

### **Discussion**

The Management Committee is concerned at the slow eroding of our base. The concept of a merger with the Community Club where significant efficiencies of operation would have occurred did not proceed. We are still in discussions with them as there may be some joint advantages in working together but these will now take time to develop.

The increase in commitments which is mainly staff leave and long service leave is a concern and these will be reduced significantly over the coming year by staff taking accumulated leave. This is considered a preferred approach than separating staff as there needs to be some continuity while staff are away and not replaced.

The Pro-Am event was very successful but as a first time event it replaced our normal income for the week. Next year it is expected to be more financially successful and it will be played during the week to avoid losing the normal Saturday competition.

The fee structure since the change to introduce a pay as you play component has not performed as most members are now paying less than they would have been if the original fee had continued to increase by CPI. The Membership fee in 2015/16 would have been about \$812 (plus the Golf SA fee) whereas on average players paid \$653 (plus Golf SA).

**Table 2.** Number of players, games played and subs collected compared with subs collected if the structure had not been altered.

	11/12	12/13	13/14	14/15	15/16	16/17	17/18
<b>Total members</b>	<b>337</b>	<b>333</b>	<b>317</b>	<b>312</b>	<b>307</b>		
Comps (Sat/Tue/Wed)	9570	9593	8373	8705	8675		
Subs	\$725	\$750	\$765	\$530	\$543	\$566	\$850
Total Subs paid\$(000)	\$143	\$137	\$149	\$154	\$147	\$167	
Total subs if not adjusted (\$000)				\$187	\$180	\$187	\$195

The increase in income required to make the Club sustainable in the long term is about \$100 000 per annum. Currently the Club House operations subsidize the golf operations by about \$70 000. The Management Committee is of the view that this needs to be addressed as many members do not use the services of the Club House and it does need some refurbishment otherwise its income may also drop.

The Management Committee is also aware of affordability of golf and is keen to keep the fees at a reasonable level and below that of the equivalent golf clubs in our greater region.

*Fees in similar clubs*

- Mount Barker \$1067
- South Lakes \$1265
- Victor Harbor \$1412
- Willunga \$967

*The recommended fees below may increase the income by \$35 000. The Management Committee has also agreed to an immediate change to the voucher system so that the completion payouts reflect better the prize purse on the day and the payout reduced from 75% to 55% that is still above the industry standard that is around 50%. This may reduce costs by \$5 000. The increase of the competition fee from \$6 to \$7 may increase the income by \$8 000. These changes should contribute \$48 000 towards the \$100 000 required to make the Club sustainable in the long term.*

### **Recommendation**

The Management Committee recommends that:

1. the full member fees be increased to \$895 and the percentages for other members be set as per the following table.
2. the \$4.00 (User Pays) fee for membership on competitions be stopped
3. the competition fee be \$7.00.
4. the payment of the fees in full by the end of July attract a discount of 5 percent.
5. the Pay as you Play fee be increased from \$15 to \$20.

	Fee	Golf Australia	Total
Full Membership	\$895.00	\$44.00	\$939
Pay as Play plus \$16 per comp	\$492.25	\$44.00	\$536
1st Year	\$492.25	\$44.00	\$536
Affiliate	\$581.75	\$44.00	\$626
Youth 22-35	\$447.50	\$44.00	\$492
Junior to 21	\$134.25	\$32.00	\$166
Social (no golf)	\$40.00		\$40

### **Questions from the floor....**

- Bryan Squires queried at what rate was this increase compared to CPI – Reply CPI currently about 1.5% this increase approx. 4%
- Rod Walters queried if we would benefit if we had less Poker Machines (Bearing in mind the expectation to replace 2 machines in the near future) – S.Cocks advised that the more machines the better the percentage of income.
- Graham Edwards commented on 5 points,
  - (1) Increase advertising, (2) Comparing with other similar businesses, (3) Thinking outside the square with special meal offers etc. (4) Efficiency of staff time management (5) Presentation in general of surrounds, signage, personnel etc. He also encouraged finding other ways to find funds other than increasing subs and to seek an overall independent business advice.
- Jeff Smith asked if committee had taken into consideration the loss of members with the proposed increase in fees. R.Wickes advised that committee have taken this into account and have made allowances within estimated budgets.
- Brian Smyth made comment that City Clubs such as Grange have enormous joining and annual fees yet still manage to fill their car parks on a regular basis with members, suggesting that we should perhaps target the city players in joining our club.
- Bryan Squires asked if we write letters to past members who do not re-join, asking them their reasons why. S.Cocks advised that he does this on an annual basis and there are many & varied reasons given mainly age & health, with affordability effecting a very small minority. Many of those who say they will re-join somehow don't seem to follow up on it.
- Graham Edwards queried if consideration was given to a reduction in fees for partners. R.Wickes advised that it was given consideration but the decision to provide a 5% discount if paid early was the better option to provide an across the board parity.

- Mike Perrey reminded members that the current recommendation and revised process of payments is an absolute necessity to keep the club afloat.

With no more discussion the recommended fee proposal was put to the meeting and was carried.

**9. Election of Officers.**

**COMMITTEE MEMBERS WITH 1 YEAR TO SERVE**

Sue Antel	V/President
Ken Graetz	Club Captain (Retiring)
Patrick Secker	Ordinary Member
Jill Morrell	Ordinary Member
Michael Perrey	Ordinary Member

**COMPLETED TERMS**

Roger Wickes	President
Steve France	Ordinary Committee Member
Graeme Munt	Ordinary Committee Member
Damian Moloney	Ordinary Committee Member
Mildy Raveane	Ordinary Committee Member

**COMMITTEE ELECTIONS 2016**

- **PRESIDENT** (2 year term)  
*One nomination from Roger Wickes – Duly Elected*
- **CLUB CAPTAIN** (1 year Casual Vacancy term)  
*One nomination from Patrick Secker – Duly Elected*
- **5 COMMITTEE MEMBERS** (2 x 2 year terms & 1 x 1 year Casual Vacancy term)  
*5 nominations received from Steve France, Andrew Meddle, Jeff Tubbenhauer, Jeremy Scannell and Mark Bolton – all 5 Duly elected.*

**10. Special Business Agenda items – Submitted in writing prior to 1<sup>st</sup> October. (Constitution 7.3.2.)**

- Nil submitted

**11. General Business Questions Submitted in writing 7 days prior to AGM. (Constitution 7.3.5.)**

- Nil submitted

**12. Meeting Closure – There being no further issues raised, President Wickes closed the meeting and again thanked all in attendance and invited all to a complimentary drink at the bar.**

Meeting closed at 8:30pm