

**Minutes of the Annual General Meeting
Sunday, 29th October 2017, commencing 9 00am**

The Portarlington Golf Club has once again experienced a very successful year recording a profit of \$201,203 - ahead of budget and an increase of some \$50,000 plus on the previous year. A further repayment to the Bendigo Bank of \$150,000 against our loan complies with the commitment the Board made to repay the total amount by mid-2018. On-going repayments towards our Gaming Licence Fee as well as the TGS loan (2011 clubhouse refurbishment) have also been realised. The final Gaming Licence Fee of \$75,295 was repaid in August 2017. All areas of the Club have performed well. In particular the Bistro results have been exceptional which supports the decision to purchase the marquee to cater for the busy tourist season.

The Treasurer will expand further on the financial situation shortly.

Our two signature golfing activities - the Carnival of Golf and the Pro-Am continue to bring in profits and continue to enhance the club's reputation for conducting well organised events on a great golf course.

Further to this members will be aware that our 2016 Pro-Am was voted the Best Regional Pro-Am at the PGA and Victorian Golf Industry Awards. A fantastic achievement and a testament to the enormous efforts of our Golf committees, Club Professional Matt Milne and his staff, as well as CEO Ron Stockdale, Marketing Manager Fee Boswell, and previous President Tony Meagher. And of course the great clubhouse and course staff who all do a fantastic job.

The Treasurer will provide greater detail of our finances but I wanted to highlight that over the last 9-10 years the club has turned around from having a deficit to now having a closing cash balance of some \$500000. That is a significant turn around and highlights the prudent financial management from the Board and Administration.

As our Treasurer keeps reminding us "Cash is King"! Because cash means being able to pay our bills and still undertake course and clubhouse development and improvements .

A progressive and considered approach to decision-making by the Board has contributed to the sound financial position our club finds itself in. This approach was confirmed at a recent Golf Managers' conference. Golf Australia reported that 30% of golf clubs are financially healthy; 50% of golf clubs are on the edge; and 20% are on the brink. So we are one of only 30% in the healthy range which is made up of clubs who have varying strategies in diversifying and increasing revenue from their operations.

Now I'd like to give an update on club activities. It has been a big year of progress and achievement for our golf club.

Members would remember that last November the Board held a workshop at which Board members, Management, and senior staff participated in a one day workshop aimed at developing a 4-5 year Business Plan for the club. From those discussions priorities and strategies were identified and an action plan developed.

As has been previously reported elsewhere things moved very quickly and opportunities unexpectedly presented themselves.

Of the seven major areas for action, three have already come to fruition.

Firstly - Gaming Licences:

Last Friday week we received the news that the Victorian Commission for Gaming and Liquor Regulation approved our submission for the 10 extra gaming licences. This is a significant achievement for the club. We should see the new machines installed mid-December. There is a 28 day period for an appeal to VCAT but it is highly unlikely that the City of Greater Geelong will choose to follow that path. As part of our successful submission we have agreed to three conditions, they being:

1 Clubhouse Works.

Stage 2 of the Clubhouse Masterplan must be substantially completed by 2 years after the commencement and operation of the 10 new gaming machines, at a cost of around \$1.5m. The Board will now focus on managing the financing and implementation of the project. Stage 2 design will be displayed again for members' information.

2 Community contributions.

We already contribute around \$10000 annually to the community. A further \$10000 will be distributed annually by the Portarlington Golf Club Community Contributions Fund. This committee will comprise a Club representative, a City of Greater Geelong Councillor and a community representative. Perhaps one other community representative may be included but that is still to be clarified.

3 Screening.

This will be installed to screen the gaming room from the members' lounge and bistro area. This work will be commencing in the very near future.

As we only received notification late afternoon on that Friday there was little time to notify members. And as we had the women's AGM last Wednesday and the club AGM today it seemed appropriate to communicate the news face to face at these two meetings. I am aware that there was a report in the Advertiser which pretty much covered the situation. Can I assure everyone that at no stage has anyone from the club been approached by the Advertiser to comment or validate any reporting. At least this time their reporting was accurate and in context.

20 Acres:

As reported in the Annual Report the 20 acres has seen a Planning Scheme Amendment very favourable to the club. We received notice Thursday week ago that the Government has now gazetted that Amendment and I can confirm that it covers the entire club land. This increases the property value significantly.

To refresh people's understanding, the amendment allows for the development of short term or casual accommodation. I want to emphasise that, contrary to the Chinese whispers and rumours etc, there is absolutely nothing concrete being considered by the Board concerning this land. The Amendment certainly provides wonderful opportunities for the club. Members should be genuinely excited.

The Board and Management will actively pursue and consider all approaches and possibilities with all due care as it has with all other decisions. Nothing will be rushed into and whatever the outcome it will be the members who decide.

Pro Shop Development:

The build is on-going as you can all see and should be completed mid- December. This is an exciting development for Matt and Tyson and indeed for all of us.

Before I finish I would I would also like to acknowledge that at the Community Clubs Awards night our Head Chef Peter Crowley received the Chef of the Year Award - a fitting accolade.

6. Financial – To receive, consider, and if deemed appropriate, adopt the Financial Statements, Board of Directors Statement and Independent Audit Reports.

Secretary David Bond reported on behalf of the Treasurer Graeme McGregor as follows:

It is customary to provide an update on how the Club is performing so far this financial year, in addition to the information included in the Annual Report and the Year in Brief summary.

It is fair to say we have started the year on a positive note, despite the year to date profit this year of \$250,632 being some \$13,000 lower than the profit for the same period last year of \$264,059. Of this variance, however, some \$11,000 related to the profit on the sale of assets last year.

There are a number of positives:-

- Bar sales are up \$11,000 or 4.9%
- Bistro sales are up \$41,000 or 14.1% - no one can doubt the value we have achieved for the money we spent on upgrading the Bistro. Now we need more dining space to accommodate the people we have to turn away!
- Membership fee income is up \$15,000, or 4%, despite the fact that we have 6 fewer 7 day members and 3 fewer 6 day members than at the same time last year.
- The Carnival of Golf is showing an improvement of \$4,000 over last year.
- Gaming revenue is up \$58,000, or 7%, but this is partly offset by increased gaming tax of \$28,000.

Challenges remain going forward. Administration costs remain high and every effort is made to control these. This category includes a number of costs which can't be directly apportioned to other cost centres and this makes it difficult, but not impossible, to establish "ownership" for cost control purposes. For example, insurance costs increased 9.6% and there is no indication that these will reduce with the magnitude of insurance claims world wide. We have been advised that when our current electricity contract expires in December, our charges will increase 34%. This is being addressed, utilizing the expertise that resides in the Board. Employment costs have been constrained but this will be harder to achieve going forward.

A major plus remains our control of cash – we are currently ahead of budget, and have some \$82,000 more cash than we had at 30 September last year. The reason for this is that the Pro-Shop rebuild is running later than we allowed in the budget. It should be noted that we did allow in the budget the funds required to acquire the additional 10 gaming machines. It should also be noted that we now have \$50,000 in the water levy account to mitigate the expense of purchasing water in the event of a prolonged drought.

We are in the process of completing an updated 5 year plan to ensure we can meet our commitments in respect of our gaming machine entitlements post 2022 as well as the next stage of the clubhouse refurbishment, in accordance with the masterplan. From what I have seen of the numbers to date I am confident that the Board will accept these projections.

What remains critical for the future of this Club is that we remain financially strong and do not fall into the 70% of golf clubs that the CEO of Golf Australia said recently are in the category of "on the edge", or even worse "on the brink of failure". The fact that we had net cash of \$792,000 generated from our operating activities last year, enabling us to spend \$182,000 on capital and repay \$499,000 of debt leaves us in the "healthy" category. However we must protect this enviable position.

As an aside, I still have members telling me that we should restrict fee increases to CPI. I must be a lousy communicator or members have not read the document refuting this that I tabled at last year's AGM. I have run off additional copies of that paper which are on the desk outside this meeting. If you are still a sceptic, please pick up a copy, read it and if you don't understand the logic, please come and talk to me. The reality is that the fee increases will continue to exceed CPI if this Club is to remain financially viable.

I mentioned last year that in my first year as Treasurer, in 2007, we ended up with an overdraft of \$105,069 – this year we had a closing cash balance of \$522,115 – a turn around of more than \$600,000. I don't take credit for this as it resulted from the financial discipline imposed by your Board and implemented by the Senior Management Team. As long as this remains in place I know you will agree that we can approach the future with confidence.

Are there any questions you may have.

There being no further questions, the Treasurer moved the following motion:-

To receive and adopt the Financial Statements, incorporating the Statement by the Board of Directors and Chief Executive Officer, and the Independent Auditors report.

Mvd G. McGregor

2nd Dennis Wood

Carried

7. Declaration of Men's & Ladies Golf Committees

The President Ms. M. Mooney announced the incoming Men's and Ladies Golf Committees. As the number of nominees did not exceed the positions available no ballots were necessary. The elected golf committees are therefore:

Men's Golf Committee:-

Captain	John W. Bowman
Vice Captain	Leigh Wilson
Committee:	Herb Picker
	Arthur McPhee
	Neil Ryan
	Arthur Johnson
	Peter Solohub

Ladies' Golf Committee:-

President	Beverley Assender
Captain	Jan Cogger
Vice Captain	Jill Barker
Secretary	Beth Peterson
Committee	Jill Peppard
	Marg Howell

The President congratulated all returning Office Bearers and new Committee Members and thanked them for their continued dedication.

8. Election of Officers and Directors.

Nominations were called for vacant Board positions of Secretary, Treasurer and two Directors.

As the number of nominees did not exceed the positions available a ballot was not required.
The elected Nominees are therefore:

Honorary Secretary: D (David) Bond

Honorary Treasurer: G (Graeme) McGregor

Directors: B (Brian) King, L (Leigh) Wilson

9. Notice of Motion

Special Resolution -1

Proposed by Men's and Ladies Golf Committees - Mr. J.W. Bowman and Ms. J. Cogger.

To consider and, if thought fit, to pass the following resolution:

“To delete clauses 31(c), (d), (e) and (f) of the Rules of the Portarlington Golf Club and replace with the following clause:

“Prior to the Annual General Meeting each year, the financial members of the General Body of Members shall elect from their number a Club Captain and eight other persons who shall constitute the Golf Committee.

The Club Captain must be a 7 Day member, an Honorary Life Member or a Senior or Veteran Member who was previously a 7 Day Member.

The Committee shall comprise equal numbers of men and women and shall be drawn from the General Body of Members.

The Committee shall elect from among their number a Vice Captain of the opposite gender to the Captain.”

If this resolution is passed, then Clause 31(g) must be amended to reflect the one Golf Committee.

Members were asked to vote by show of hands either for or against the Special Resolution. The total number of votes, including proxy votes, were tallied by independent scrutineers D. Milne and K. Hughes. Results were as follows:

In Favour 243

Against 16

Abstain 4

Total in Favour - 92%. Resolution passed

Special Resolution - 2

Proposed by Mr. A. Meagher.

To consider and, if thought fit, to pass the following resolution:

“That the Statement of Purposes and of the Portarlington Golf Club be amended in such a way that would allow the granting of Honorary Membership to all elected Directors for the duration of their service on the Board of the Portarlington Golf Club and Rule 31(h) be deleted accordingly”.

In Favour 130

Against 104

Abstain 29

Total in Favour - 55%. Resolution lost.

The President now declared the meeting closed, thanked members for attending and invited them to stay for refreshments.

Meeting Closed 9.55am

David Bond

Honorary Secretary

The above minutes are approved as a true and correct record of the Annual General Meeting of the Portarlington Golf Club held on Sunday 29th October 2017.

Marilyn Mooney
President