

**MOTUEKA GOLF CLUB
ANNUAL GENERAL MEETING
7pm – 7th November 2022**

Present: Peter Cederman, Emily Greenhough, Peter & Shona Johnson, Chris & Sharon McGeown, Yvonne Stevenson, Bernard Walsh, Daryl Graham, Grant Thorn, Irene & Kevin Fell, Rex Edwards, Kevin Beach, John Frater, Suzanne Park, Meredith Rayner, Elizabeth Martin, Rebecca & Jonathan Gammon, Geoff & Gaye Milnes, Paul Dixon-Didier, Diane Enoka, Jocelyn & Brent Thoomson, Molly Pomana-Rose, John Hewitt, Bryan McKay, Andy Tasker, Barrie Walker, Geraldine Taylor, Ron Noordijk, Daph Hamilton, Richard & Joyce Bullock, Rob Guild, Diane Strong, Robyn & Ivor Hawker, Ian Shirley, Blake Zwick, Reinhardt Van Zyl, Jenny & Frik Van Heerden, Evelyn & Paul Hay, Bill Agnew, Grace Latimer, David Cairns, Andrew Fenemor, Alan McKenzie, Allan Barbara, Robert & Penny Vincent, Bernie Hedges, Nathan Binns, Anne Lawrence, Shirley Drummond, Alison McMillan, Donna Mitchell

Apologies: Keith Dowie, Sally Jones, Geoff Blois, Kevin Armstrong, Verna Drummond, Bruce Miller, Sandy Lepine, Colin Pretty, Faye Lloyd, Robin Frater, Roger and Liz Hall.

Moved: Shona Johnson Seconded: Grace Latimer Carried

Bereavements: The President asked all members to take a moment silence to remember those past members who have passed away during the past year: Claude Teece, Lynne Bixley, Dotti Holgarth, Rob Thorn

Minutes: The Minutes of the previous Annual General Meeting having been posted on the Notice Board for 3 months and on the Motueka Golf Club website following the meeting held on the 15th November 2021 - be taken as read and moved to be a true and correct record.

Moved: Paul Hay Seconded: Frik Van Heerden Carried

Matters Arising:

Peter Johnson asked if the inflation rate had been added to the adverse event bank account. *Chris replied that this year the decision was made not to add the inflation to this fund as the interest would be more valuable in other areas. The outlook for next year is the inflation adjustment will be recommended.*

Presidents Report – (Peter Cederman)

The first couple of weeks of my presidency started with the onslaught of covid with vaccine passes for the club house and lots of discussion on un-vaccinated players rights. Looking back I think the committee made the right decision. Now just a distant memory and the rest of the year has been a big learning curve for me.

I would like to thank Peter Johnson for all his guidance and advice through the year, you have been great and I will no doubt be looking for more. As I write this, we are half way through the Freyberg and the course is in magnificent order thanks to Nick, Ian and Steve who have been working towards this tournament

for months, and with the course being so wet a couple of months ago they have done a wonderful job.

The comments from every player, coaches, managers have been positive in fact many have said that we are so lucky to have such a wonderful course.

The woodies are part of a very large number of volunteers in the club who do a great job each week. This lets the green staff do all the other work that would not get done if they had to cut wood so a very big thanks to all you guys.

My committee have been great to work with so thanks to you all. The club is in good hands with some very passionate and hardworking people looking to drive this club to be even better and one of the best courses to play at in the country.

So, a big thanks to Bruce for all his support over the year and all his great work on sponsors, organising the power underground carpark and the signage with his right-hand man Judd.

I'm going to rattle off some names who have put a lot of time into the club this year and previous years who deserve a huge thank you.

Shona always busy doing everything. Emily I would be in deep trouble without your help. Bernard always at the club working in the match room. Rex my wise man and great adviser. Rob and Jenny in the clubhouse just brilliant and always smiling, Chris you have the patience of a saint and doing a brilliant job keeping the finances under control. David you've done a great job setting up the Dot Golf system. Meredith for doing a great job looking after the 9 hole ladies. Kevin for all your work with She Loves Golf. Stan for always having a joke on club days. Gail for looking after all the new members. Sue for running the ladies committee.

Last but not least Barrie who is stepping down this year from the house chair. He has been on the committee for that long we don't know when he started. He has led me through this year and been a great help so I thank you on behalf of everyone you have been involved with over the years. Barrie is still keen to do the strategic plan for the club so he's not going far.

Nick and the boys have got some great ideas on what they want to achieve with the course over the next year.

In closing we have a golf club that everyone should be very proud of and with some forward thinking and good decisions we can make it even better.

Have a great year golfing and I will see you out on the course

*Peter moved the adoption of the President's report - Seconded: Peter Jonhson
Carried*

Greenkeepers Report – (Nick Van Leuween) -

As I sit and write this report the course is looking as good as I have seen it in a long time. With a nice break in the weather we have managed to get the old girl hissing. First of all, I would like to thank all our helpers, they do an amazing job keeping trees, gardens, and also the grass in tip top shape all year round. This year we have had the addition of Steve on our team, Steve has fit in great and is getting used to our crazy weather. He is doing well with his on-job assessments and also well up to date with his book work. The last 12 months the greens have really turned a corner for the better, with all the physical treatment we did in March really showing there is a place for the old school way. Although it did knock them for a couple of weeks the

long-term gains have been huge. I am really looking forward to the next 12 months, we will really just continue down the path we have been going, with the strategic plan and maybe chucking in some little one per centres along the way. Cheers

Peter Cederman moved the greenkeepers report be adopted – Seconded: Bryan McKay Carried

Financial – (Chris McGeown)

A sign of progress is that we have produced a 16 page document compared to 2 pages previously which is proving the new system we have in place gives us more information.

The club started the year with \$200,000 in cash reserves, \$100,000 set aside in the Adverse Events Fund and cash in trading account of \$16,675.

The club has ended the year with approximately \$100,000 additional money in the bank, offset by \$40,000 of this being unspent but committed grant income and amounts owing at balance date are \$35,000 higher than last year.

The balance sheet also shows that fertiliser purchase in August is to be recorded as a cost in the 2023 financial year to reflect when it will be used on the course. Fertiliser for 2022 was purchase in September 2021 so there is already a cost bulk fertiliser in the 2022 expenses.

The net assets of the club have increased by \$118,000 due to the change in accounting policy for recording subs income. The club now recognises subs income when invoice not spreading the income over the full year of membership.

The unspent grant funds can't be added as income to the club until the equipment is purchased. It is shown as funding received in advance as at 31 August 2022. The equipment is due for delivery in November 2022.

Before talking about the profit result I'd like to acknowledge the help I get from Shona and Evelyn doing the banking every week. Also the vital role that Barrie plays in managing the house accounts and reconciling the til and cash and the various people in the match room who also have balancing responsibilities.

We prepared a diagram to help explain the movements in profit from 2021 to 2022. These can be handed around to members.

The headline result is a reduction in profit from \$41,000 in 2021 to a small loss in 2022.

The primary reasons for this are:

- Poorer trading results largely due to increases in the cost of bar purchases – the recent increase in bar prices will address this decline.
- Reduction on green fee income – down \$7,000 from the high levels of last year.
- Growth in membership numbers and the subs increase last year has lifted subs income by \$25,000. Total membership as at 31 August is 450. There has been an increase of 21 new playing members this year (excluding

juniors, kiwi learners, summer and winter members). Subs increased \$20 across the board last year.

- Although NBS sponsorship has increased to \$15,000 the year-on-year comparison shows a decline. That's because last year recorded two years of income.
- Other sponsorship has increased by \$12,000
- There is lower spend no R&M of \$35,000 which reflects the mix of projects year-on-year in 2021 a significant upgrade of the clubhouse was undertaken.
- House expenses have increased with the introduction of a catering retainer. This has secured the services of a caterer for the foreseeable future.
- With the employment of a 3rd greenkeeper and the annual reviews of the team staff costs have increased. This increase reflects the part-year cost of the 3rd greenkeeper for approx 7 months.
- Accountancy costs have increased by \$8,000 – there were set-up costs when moving the system to xero and for the implementation of the point-of-sale system.
- Insurance premiums have increased.
- Fixed asset charges have increased due to the purchase of new equipment and in 2021 there was a large gain on sale recorded. Whereas this year asset sales have resulted in loss on sale against the book value of the asset.

Floor open for discussion:

Alison McMillan asked if NZ golf makes a contribution from the Freyberg tournament, Peter Johnson said they do and all this information will be available at a later date, they are not reflected in this years figures but will next year.

Geoff Milnes wanted to stress the subs in advance, people may have not picked that up that it is not a magic number floating around.

Elizabeth Martin wanted confirmation that the catering retainer is only a portion of the year shown in the accounts. This is correct.

*Chris McGeown moved the financial report be adopted – Seconded: Geoff Milnes
Carried*

Subscriptions (Chris McGeown) –

We've prepared a diagram to help explain the movements in actual profit from 2022 to an outlook result for 2023, these can be handed around to members - this is not a budget.

The headline result is a probably break-even result after depreciation. The cash profit before fixed asset charges is \$60,000.

In summary:

- There is a step-change in the running costs of the club
- inflation is driving up the cost of day-to-day purchases.

- The club has invested in course development with the addition of a 3rd greenkeeper and ensured members post-match experience is maintained by securing the catering services for the foreseeable future.
- Consistent with past practice the club remains on a financially sustainable footing by funding investment pool or for one-off shocks.

In short, the management committee advise against using cash reserves to pay for increased costs of running the club.

In addition, of the \$200,000 cash reserves of the club – a good deal of those funds are earmarked for initiatives included in the strategic plan.

In relation to the 2023 year the management committee a you to note:

- Improved trading results largely due to the recent increase in bar prices.
- Increase in green fee income due to the increase in prices – NZ affiliated 18 holes is now \$45 – Non NZ Affiliated is now \$55
- The proposed increase in membership subscriptions will generate additional income of \$35,000-\$40,000. The management committee acknowledge there will be some pressure on membership numbers should the proposed subs increase be adopted by members at the AGM. It will be up to each individual member to make their own assessment of value and affordability. The sense of community at this club is second to none.
- In particular, the cost of fertiliser, fuel and electricity have increased markedly over the last 9 months.
- Staff and house costs are increased due to the full-year affect of the new arrangements.
- In line with the members wishes at the 2021 AGM the adverse event fund is to be topped-up by the rate of inflation.
- Fixed asset charges are slightly higher as we bring the new equipment on stream in November 2022.

Chris McGeown moved the following subscription fee changes for the 2023/2024 year:

Full playing member – men and women increase \$100 to \$840

Full playing 26-30 years increase \$65 to \$555

Full playing 19-25 years increase \$40 to \$330

Junior (under 19) no change

Midweek member (Monday to Friday) increase \$85 to \$715

Nine hole member increase \$60 to \$530

First year member increase \$80 to \$680

Country member increase \$60 to \$530

Social member no change

Summer & winter member increase \$60 to \$530

Kiwi Learner no change

Seconded: Mike Inwood motion carried in favour by show of hands 36 vs 24

Floor open for discussion:

Meredith Rayner – The 9 holers were under the impression the subscription increase was going to be \$100 across the board, what we did with the 9 hole women was a questionnaire and from 60 members we got 30 responses, responses were from new members, members who have been with club a very long time, some social members and other regular players. In total the club has 119 x 9 hole members and people need to take account of that. We are a big part of the club, especially women that start playing golf 9 holes that leads to 18 holes, the she loves programme, buddy system and we encourage players to come on Thursdays. In summary from the 9 holers most were against the increase of \$100 across board, everyone knows there needs to be an increase, we understand we have this amazing course and the cost of running it. The \$100 across the board increase was likely to discourage new players from coming, players questioning if they can afford it, this includes couples, singles and new players. Some are thinking of going to Tasman. Many people suggested pro-rata which is good to see management are thinking the same, other responses were players on fixed incomes, the increase was far too much, suggested increase over 2 years or a 7% increase. Suggested a first year 9 hole reduced subscription similar to what the 18 hole players are offered.

Geraldine Taylor - After reading the October newsletter and examining the annual accounts and not wishing to take up time at this meeting I emailed several emails, and I would like to thank Chris for the prompt and detailed answers received, thank you Chris. From this information I have noticed one off costs, items to set up the new accounting system, these total \$15,000, items like the honours board, accounting system and smaller individual things like cards, gifts etc. Some of these amounts will go quite a long way to cover the catering retainer or 3rd greenkeepers costs. The newsletter was misleading, this is only because depreciation which is a non-cash item of 53k has been claimed at a maximum amount of the IRD act 2007. The club is exempt of income tax, last year, we had a profit on the sales assets because we had written off too much depreciation. I believe a fairer picture is the club has made a cash profit before depreciation in this last year of \$53,597.00. At balance date we had 463k in the bank of which 100k is set aside in the adverse reserve. I had calculated figures of the \$100 sub increase across the board, irrespective of juniors, the pro-rata is new information to us tonight, we shouldn't be increasing subs to accumulate money in the bank, I am concerned we will loose members, it is not just the cost of the subs, its weekly fees, raffles and drinks. I point out, this Saturday, entry was \$25 and there are lots of couples here tonight, that is an upfront cost of \$50 before you even buy a raffle or drink at the bar. In conclusion, I suggest subs be increased 7% which is the cost of inflation this would equate to \$50 full members, \$35 for 9 hole members, country and summer members.

Joyce Bullock - There are people in our club who give hours and hours of their time and they need a big pat on the back. I played with an accountant on the weekend... Chris does 20-30 hours a week, I said that would equate to about 50k per year, the accountant laughed and said you would be looking more like 100k. We have successful business men, managers, bank managers, a quick reckoning in my head was if we were paying all these people an hourly rate it would be at least \$1.5mill, our subs wouldn't be going up \$100 they would go up \$1000.

Donna Mitchell - I can see all sides of the argument and would like to put out for thought, given the average age of membership is older than I am, i.e pension, would it not be beneficial to do a reduced price for couples as they do at some other clubs.

Sharon McGeown - On behalf of a couple here, I am more than happy to pay my share, I play my golf the same as any single person and would not want any subsidy.

Paul Dixon-Didier – I was on the National board of fish and game many years, with dwindling membership we did a complete review and the idea to create a family license. I would like to think club consider something similar, i.e 2 adults, 2-3 children which would also increase membership and participation.

Peter Johnson – We did consider couple subscriptions a number of years ago, a bit of context is the greenkeepers still provide us with an 18 hole course, for our 9 hole members we employ our greenkeepers to provide 2 x 9 hole courses, so there is no difference in the cost for a 9 hole member or 18 hole member to run the course. If we will provide a cheaper sub for couples, your other members are subsidising the other members.

Liz Martin – I Support the 9 holers, I think the pro-rata increase is still too much, not only are they only limited to play only 9 holes, programme has been so busy and they have had no access to the course, including most weekends. They are restricted in using the course and I think they need a bigger reduction than what you are suggesting if you want to retain them as members.

John Gammon – I have had experience as golf club treasurer, Geraldine has some good points. Every one-off expense this year will most likely occur again in other areas next year, its the nature of what happens. I believe you should be prepared for more increases next year as break even isn't good enough, because when you have to replace the mower, you are not going to pay \$50k for a new mower, you will be paying twice the price. I believe the \$100 pro-rata is right for the club, management should be giving us a further steer for the future.

Geoff Milnes – The management committee have done a fantastic job, congratulations to Chris. Comments about break-even annoy me. Geraldine is correct, we did make a \$53k profit cash, if we go back to the last few years, break-even isn't acceptable. Cash profits since 2017 was \$380k, not many other golf clubs are in this position. We have a lot of cash, I agree things are going to increase and we need to increase for extra revenue. What are you going to do with the reserves. Not many clubs would suggest would have that amount of figure. I must admit I battle with \$100 across the board and am pleased to see the pro-rata and 9 holers looked after a bit better. Personally I don't think we need it, but take the point costs are going up.

Alison McMillan – On behalf of the super golfers, I agree there needs to be an increase, I suggest inflation increase of 7-8%. Chris replied that the view of the management committee are reserves are there for an investment. The \$100k for adverse event is not in play. There is going to be something happen with the sea. Membership experience is what we are after, cash reserves shouldn't be used to run current operating costs, current members should pay for current operating costs,

what past members have contributed is there for investment purposes, not a savings account to be dipped into.

Diane Strong – I would like to speak to spirit of the club (not just the financial side), when you said it was \$2 per week increase, in my playing year I managed to play 20 times, this was not only weather events, but for programmed events which denied me access to the course. I paid my subs and works out that you owe me, you owe me for 10 days for not playing. I'm not sad about paying \$100, I'm sad about new member vs the old members, some people here will notice when they speak out they get derided, and you wonder why people won't stand for committee, I would be afraid to speak my mind. Hearing what is going on tonight, I thought you only wanted \$50 this year and \$50 next year, now you have scared us, we can pay more but we need to acknowledge the club has lost its comradery here, its lost its respect for its older members, we need to work hard to get the friendliest club back again.

Peter Cederman – To conclude this, last week Freyberg we had guys from all over the country, from prestigious clubs that have been around a long time, and they couldn't speak highly enough of our club, the amount of volunteers and workers and condition for a little town like Motueka. Some questioned what subscriptions were and they couldn't believe the price, some are paying 3 times what we pay here for a lesser course. If we start dipping into savings we will be going backwards and it will be a determinant to the club.

ELECTION OF OFFICERS

NOMINEE PROPOSED BY SECONDED

President Peter Cederman I Rowling N Van Leeuwen

Vice President Bruce Miller P Cederman R Guild

Club Captain Daryl Graham P Cederman D Mitchell

Vice Captain Chris McGeown P Cederman E Greenhough

Ladies Captain Suzanne Park S McGeown T Appelman

Ladies Vice Captain Donna Mitchell T Appelman S McGeown

Match Chairperson Bernard Walsh M Inwood R Edwards

Match Committee Grace Latimer S Park B Simpson

Blake Zwick R Van Zyl E Greenhough

Reinhardt Van Zyl B Zwick E Greenhough

Mike Inwood B Walsh R Edwards

Donna Mitchell B Walsh M Inwood

Keith Dowie B Walsh E Greenhough

Andy Tasker B Walsh K Melind

John Inglis B Walsh D Graham

House Chairperson Ron Noordijk S Johnson D Graham

House Vice Chair Shona Johnson F Van Heerden S McGeown

House Committee Frik Van Heerden S Johnson D Hedges

Yvonne Stevenson S Johnson F Van Heerden

Evelyn Hay D Hedges S Miller

Evelyn Hay moved all above nominations be accepted Seconded: Andrew Fenemor Carried

GENERAL BUSINESS

(1) Letter from Penny Blois - Lioness Lions Club letter read out by Peter Cederman offering the club a park bench as a donation for the new garden on the 8th hole.

(2) Irene Fell (Freyberg) - Ken and I were here all week, and it was with total pride and reward, I probably wont come up with enough words but we were astounded, from Peter Johnson being co-ordinator, the groundsman, but I need to comment on what went on in the kitchen, I worked my 5 day apprenticeship and it was astounding what was necessary and what they came up with. I was really full of admiration of what went on, well done Jen and Rob. To all that participated and feedback we got, I am proud to be a member of our club and very proud of how well it was run.

(3) Alison McMillan thanked Peter Cederman for all the apples he donates throughout the year.

(4) NZ Golf – Phil Aiken ran the Freyberg tournament with Peter Johnson co-ordinating, we have been approached to host a combined mens and ladies tournament in 2024 but nothing has been confirmed.

(5) Daph Hamilton (Freyberg) – Where does the club stand, do we get paid? Peter Johnson replied that in context we were approached 2 years ago about the event coming to our district, (it goes around each district 15 yearly). At this point we said yes, weather we get a profit or not, this is a prestigious tournament and we would love to host it, how do you put a money figure on good will? NZ Golf does give us financial support, I am not going to say how much as I need to prepare a report for management committee to view first.

(6) Rex Edwards (Freyberg) – Respective Districts have sent messages of congratulations, as I get these they are put on the website on the testimonials page.

As there was no further business the President thanked everyone for attending and advised coffee, tea were available.