



## **ROYAL PERTH YACHT CLUB OF WA (INC)**

### **MINUTES OF THE 158<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, 10<sup>th</sup> August 2023**

#### **CHAIRMAN:**

The Commodore (Mr S Offer) occupied the Chair and declared the meeting open at 1905 hrs welcoming members and invited guests.

#### **ATTENDANCE:**

Commodore (Mr S Offer), Vice Commodore (Dr J Hornbuckle), Rear Commodore (Mr A McAullay), Hon. Treasurer (Mr B Wearn), Captain Power (Mr M Busio), Captain Dinghies (Mr D Hinton), 3 members of General Committee, 73 members, General Manager (Mr R Coate), Minutes Secretary (Ms G Tosh), Financial Controller (Mr N Smith), Operations Manager (Miss E Bradley), and Marketing Officer (Miss I Murray).

#### **ACKNOWLEDGEMENT OF COUNTRY**

#### **APOLOGIES:**

Captain Sail Robbie Gibbs, Rob Scharnell, Paul Durrant Alan Thomas, Mark Arena, Denis Cosgrove, Denis Vincent, Cdre Denys Pearce, Denis O'Sullivan, Richard Court, Bev Roseveare, Pam Hann, Peter Leggatt, Cdre John Flower, Matthew Wearn OAM OLM, John Fitzhardinge Jnr, Jon Sanders AO OBE CitWA, Rob Rooke, Richard Brisbane-Cohen, Jeremy O'Neill, Sarah O'Neill, Graham Hansen, and Astrid Hansen.

#### **DECEASED Members during the fiscal year to May 31st:**

Mr Peter Briggs, Mr Paul Ireland, Mr Geoff Clough, Past R/Cdre Stan Lewis, Cdre Ronald Packer, Mr Richard Hill, Mr George Waring.

#### **NOTICE OF MEETING:**

The Chairman read the Notice of Meeting convening the 158<sup>th</sup> Annual General Meeting.

## **MINUTES OF THE 157<sup>th</sup> ANNUAL GENERAL MEETING:**

Moved by Commodore Shawn Offer “*that the minutes of the 157<sup>th</sup> Annual General Meeting held on Thursday, 4<sup>th</sup> August 2022 be adopted.*”

Seconded – Capt. Power Mark Busio

**ADOPTED**

### **COMMODORE’S ADDRESS:**

The Commodore thanked all for coming down and showing an interest in their Club.

It was a year of transition. The Club is in a much better place now than this time last year, but more is to be done to propel the Club forward to maintain the level of prestige and attractiveness.

In April 2022, the General Committee met to review the performance of the board. The outcome was to be much more effective and to better communicate the priorities of General Committee. Adhering to governance and to better improve General Committee on its effectiveness.

General Committee have approached the objective in a variety of ways:

- Updated the Corporate Governance Manual, first since 2007,
- Introduced a Management Limitations Policy,
- Adopted a new Strategic Plan
- Changed Auditors
- Onboarded a new General Manager, and,
- Introduced a Decision Making Framework to help future General Committee’s.

Last year overall challenges where endured. The Club started the year having just paid the bank half a million dollars. This was due to an accumulation of challenges and a large payment due just before the years end. However, the Club have come together to ensure a much better place with a strong path of recovery in sight.

Members have adapted to changes of how the Club accounts for its training expenses. Members now co-contribute to training and the programs have stricter budget controls in place.

Management has quickly undergone a vast phase of restructuring and rejuvenation. The Boating Department will return to full strength and is currently putting together the final touches on the year ahead. The Clubs F&B offerings have changed. The Club now delivers value in a more usable way. Evening meals more regularly and service much more professional and very member focused. Function business has also performed very well.

The Boat yard is now at full operational capacity, core infrastructure and marinas are in good shape. The Elliots are building up to be the best sail training program for members in a long time.

Leadership of the Club changed this side of January with new General Manager, Rick Coate. His contemporary leadership in management will deliver what the Club will need in the medium term. The GM has three key focuses:

- A skilled, successful, and happy team
- An absolute focus on members
- That RPYC is not for profit, but not for loss.

There is still much to be done. Challenging environment and a diverse range of expectations within our Club. The Club has assets that require replacement, updating, repairing or as additions.

For the past 15 years, the Club has spent over \$25M on infrastructure without tapping on member's shoulders for a contribution and only had moderate increases to subscriptions which did not always meet with inflation. As interest rates have risen at their some of the fastest rates in history, the Club needs to be prudent with its risk settings.

The General Committee and the Club's Auditors encourage full adoption of the motions before the Members tonight.

What is best for the Club?

- A need to make improvements to keep attractiveness, this is required to increase or maintain membership.
- Costs cannot be past down to members in the future.
- RPYC lacks funding that many other Clubs achieve through partnering with businesses in the wider community. Protect existing relationships by not continually knocking on the same doors to grow sponsorship programs.
- Right calibre of business which the Club can be proud to be associated with RPYC.
- To be more approachable, inviting and outward looking.

Future success comes primarily from members, not due to the fees that they pay, but those who volunteer within the Club, that assures the Club's success. The Club needs to grow membership and the volunteer workforce. A strong Club culture and environment that natures volunteers in required. The new strategic plan seeks to ensure that the Club's Team are trained and skilled, volunteers included. This will ensure that the Club has the ecosystem to reach our strategic mission:

“Where members feel valued and benefit from the friendships they make through boating, both on and off the water. A community hub providing social or competitive activities that foster a harmonious, pleasant, and fun atmosphere within a safe and sustainable environment.”

The Commodore thanked the special team of Volunteers and members of General Committee for their support, commitment, and dedication to the Club especially over the last 12 months.

The Commodore also thanked the management team, the F&B team and all other Club team members. The Team has sprinted when they have needed to and have performed outside their normal roles on many occasions.

## **FINANCIAL REPORT:**

The Hon Treasurer moved *“that the Annual Report containing the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows, Honorary Treasurer’s and Auditor’s report for the year ending 31<sup>st</sup> May 2023 be adopted”*.

Seconded – Cdre Greg O’Neill  
**ADOPTED**

The Hon Treasurer summarised his report, which appeared in the 158<sup>th</sup> Annual Report, outlining the Performance Overview and Key Issues.

### Financial Highlights -

- Loss for the financial year was (\$158,318), significant improvement (FY22: (\$760,831)).
- Net debt was reduced by \$1,255,171.
- Operating Cash Flow \$2,293,492 (FY22: (\$1,231,738)).
- Hospitality operations profit \$249,886 (FY22: (\$230,170)).

### Liquidity/Going Concern –

- Pen Occupancy Deposits of \$1.8m classified as current during FY (requirement of AASB 101) – this is a requirement of the accounting standards, leading to imperfect reporting of Club’s liquidity.
- Cash flow forecasts show the Club can pay its debts as and when they fall due.
- Financial statements have been prepared on a going concern basis.
- Auditors have raised a Material Uncertainty related to going concern note in their Audit Report.

However, the General Committee belief, based upon the bank debt reductions achieved in the last 12 months and the cash flow outlook, that it is appropriate to prepare the financial statements on the basis of a going concern.

Revenue remains healthy with –

Membership	\$1.48m (FY22: \$1.44m)
Pen & Hardstand	\$3.19m (FY22: \$3.07m)
Hospitality	\$2.39m (FY22: \$1.78m)

Financial focus going forward –

- Developing balanced pricing policies
- Maintaining strong cost controls
- Suspending capital development
- Negotiating a favourable loan repayment schedule
- Preparing comprehensive budgets/cash flows
- Strategic planning to identify short and medium term actions, priorities and goals.

The debt position is improving.

Capital expenditure is needed for –

- Crawley - carpark has become problematic and needs resurfacing, new carpet for the Club entrance, the Clubhouse roof leaks, we need to spend money on a new forklift (tractor is at end of life) and general maintenance on jetties.
- Fremantle - needs maintenance on jetties. The cathodic protection is at end of life and needs to be replaced.
- IT – overdue replacement of the POS system, on-premises servers, and infrastructure.

The Finance Committee are confident to stand by and deliver a successful budget.

The Club has been able to maintain its capital expenditure without having to levy members.

The Club has postponed capital expenditure whilst it dealt with financial challenges over the last two/three years. The Club needs to get back on top of capital with a one-off contribution for the year of \$240,000. Not expecting or asking to contribute next year. Stand by the capital projects mentioned and will report back that we have delivered on our commitment.

Capital Improvement Contribution – Full Members \$20 per month from 1<sup>st</sup> September 2023 to 31<sup>st</sup> August 2024 (percentage contribution based on membership category).

Pen / Hardstand increased by 6% on the 1<sup>st</sup> June 2023.

Membership Fee increase by 10% – Full members \$1,777 (FY22: \$1,616), percentage increase based on membership category.

House Support Scheme - \$385pa (\$192.50 each six months) (FY22: \$360pa).

Financial Outlook –

- Inflationary pressures and higher interest rates are expected to moderate economic growth in Perth/WA in 2023-24.
- Expected lead to tightening of discretionary spending by households/businesses.
- Continued vigilance in managing Club's finances and specifically in monitoring of impact on Hospitality / Function revenues.

The Hon Treasurer thanked the members of Finance Committee for the effort put in along with Neil from a Finance Controllers perspective and the GM for his transparency and accountability in respect to the Club's financial performance.

The Hon Treasurer also thanked the Commodore for his effort and time for joining the Finance Committee along with Captain Dinghies who brought his finance experience.

Questions:

No questions.

### **HOUSE REPORT:**

Presented by the Vice Commodore, her report outlined the update of the composition of the House Committee and their responsibilities. The Vice Commodore thanked all of those people who had helped her during her time chairing the House Committee.

The Vice Commodore's presentation covered:

- Changes to the Club's Management and Food & Beverage Teams
- Events during the fiscal year
- New initiatives including events and marketing approaches
- Membership trend analysis and commentary
- Strategic objectives with a focus on sustainability.

Questions:

No questions.

### **REGATTA REPORT:**

Presented by the Rear Commodore, his report outlined the update of the composition of the Regatta Committee and Sub-Committees (Race Sail, Power and Off the Beach) and their responsibilities.

The Rear Commodore made a special mention to the Starters, Handicappers and Volunteers who donate their time and effort at each and every event. Huge thanks for without them, the sport could not exist.

Other topics covered in the Rear Commodore's Presentation included:

- Review of competitive success of members at international, nation and state events.
- Sailor Development pathways with participation numbers
- Teams Racing Squad
- Club on water events during the fiscal year
- Initiatives for the upcoming season

Finally, the Rear Commodore passed on his thanks to the committees and boating office, all our volunteers on race management, coaches and instructors, and all members for their participation and support as Rear Commodore and chair of Regatta.

Questions:

No questions.

### **ELECTION OF OFFICERS [Part 1]:**

As there are a number of members contesting the positions on General Committee, the meeting was adjourned so that Full, Permanent and Honorary Life members can cast their vote.

2015 hrs meeting re-opened. Votes will be counted, and the results would be announced later in the meeting.

### **MOTIONS PUT TO MEETING:**

#### **1<sup>ST</sup> NOTICE OF MOTION**

In accordance with the Club's Constitution 2021, Clause 33(1), the Committee propose:  
***“That a Capital Improvement Contribution be imposed on each Full Member of \$20 per calendar month for 12 calendar months beginning on 1st September 2023, ending on 31st August 2024. All other Member category contributions will be adjusted in accordance with subscription fees as set in the Club's By-Laws, Section 8, Clause 8.2.3, Clause 8.2.4 and Clause 8.2.5.”***

Hon Treasurer Brad Wearn spoke briefly to the motion:

- The Finance Committee recommended to General Committee that a Capital Investment Contribution be introduced for this financial year.
- The Hon Treasurer does not foresee that this will be required again next year, that this is a one-off exercise.

Seconded by Rear Commodore Andrew McAullay

Questions:

Ken Chapman – this is for 12 months only. If you want to have it again, then it most go to a vote for the second time?

Cdre Offer and Hon Treasurer confirmed this is one-off and will require members to vote again if it is to continue.

No further debate.

CARRIED

## **2<sup>ND</sup> NOTICE OF MOTION**

The re-wording of the Club's By-Laws Section 8.3.2.1 referring to House Support Scheme to read:

***“The annual cost to contributing members shall be \$385 which will be debited to members’ accounts at the rate of \$192.50 per six-month period, in advance.”***

***This Levy can be increased in any year in line with the annual rate of inflation for Perth (Capital City) (all groups index numbers) as at the March Quarter each year as determined by the Australian Bureau of Statistics. The specific reference for the Perth Inflation number and the type of Members to which this fee applies can be amended by the General Committee as required.***

The Vice Commodore spoke to the motion. The House Support Scheme was increased last year for the first time since its introduction in 1995. Propose a 7% increase to improve the financial result for the upcoming year to ensure all revenue sources are moving in line with inflation challenges faced by the Club.

In addition, the incorporation of the CPI increase to the By-Laws is to provide the General Committee the ability to increase the HSS by a maximum CPI from one year to the next and that members are aware of any likely increase. There is no obligation for the General Committee to increase the HSS each year and any increase will be determined by the budget process.

No debate.

Seconded Captain Power Mark Busio  
**CARRIED**

## **3<sup>RD</sup> NOTICE OF MOTION**

***“That in accordance with the Club’s By-Laws Section 8, Clause 8.2.3 the subscription for a Full Member of the Royal Perth Yacht Club, will be set at \$1,777.00 (previously \$1,616.00) inclusive of GST. All Members subscriptions, as adjusted, are the fees due and payable with effect from 1<sup>st</sup> September 2023.”***

Honorary Treasurer Brad Wearn spoke to the motion. This represents a 10% increase from last years subscription fees. Last years increase was much less than CPI. This allowed for a balanced budget and address some cost escalations.

No debate.

Seconded Rear Commodore Andrew McAullay



#### **4<sup>TH</sup> NOTICE OF MOTION**

That the Constitution 2021 be replaced by the Constitution 2023 reflecting the following changes:

- ***The addition of Clause 4(1)(k) – Corporate Members.***
- ***Insert new Clause 15 – Corporate Member and the re-numbering of subsequent clauses.***
- ***Insert new Clause 17 – Election of Members and the re-numbering of subsequent clauses.***

Vice Commodore Janet Hornbuckle spoke to the motion. General Committee recommends the addition of Corporate Membership to our membership categories. Growing membership and this membership revenue is a priority. The purpose of this motion is to introduce new members to the Club by a corporate third parties who have an ongoing relationship with the Club.

The relationship with these corporate third parties will be formalised by having the option of a Royal Perth Yacht Club Corporate Membership. Associated with that is up to five members, one Full and four Social. These memberships will have varied offers to entice corporate members to casually entertain their stakeholders at the Club or hold formal functions within the Club as their destination of choice. This will have a positive impact on our Food and Beverage revenue. Corporate Membership will also increase opportunities for sponsorship, thus providing much needed funds to support member on and off water activities.

Support by members to have this category added to the Constitution will help grow membership, build relationships with the corporate sector, build the food and beverage business at the Club and raise the Club's profile.

Seconded Hon Treasurer Brad Wearn

Questions:

Trudy Robins – is there a vetting process to accept corporate members into the Club?

Cdre Offer replied that the vetting process will be the same as the ballot process is now and how the general membership is currently approved by General Committee.

Cdre Mike Kilcullen – question of clarification. Vice Commodore stated that it was for corporates that have an ongoing relationship with the Club. I don't see that represented in the wording in the Constitution.

Vice Commodore replied that this is to establish ongoing relationships with new corporate members.

Reg Cornelisse – will corporate events happening in the future be conducted in the Wardroom?

Cdre Offer advised that we do not currently hold corporate functions in the Wardroom and this will not change.

No further debate.

**CARRIED**

### **5<sup>th</sup> NOTICE OF MOTION**

The clause numbers referred to in this motion are as prescribed in the 2021 version of the constitution. They will be amended if required by success of the 4<sup>th</sup> Motion.

- ***The amendment of Clause 9(5)(c) – “Centreboard Members may only nominate or second candidates for ‘Centreboard’, ‘Social’, ‘Social Family’ or ‘Junior’ membership of the Club”.***
- ***The amendment of Clause 11(2)(c) – “Social Members may only nominate or second candidates for ‘Centreboard’, ‘Social’, ‘Social Family’ or ‘Junior’ membership of the Club”.***
- ***The amendment of Clause 12(2) – “A Crew Member must be nominated by the current skipper of the boat on which the person crews or must be nominated by a Member of General Committee”.***
- ***The amendment of Clause 16 (3) – “In addition to any other provisions of this Constitution a person shall not be eligible for election as a Member unless:***
- ***the candidate for election has been nominated for membership by an Honorary Life Member, Full Member, or Outport Member and that nomination is seconded by an Honorary Life Member, Full Member, or Outport Member. Social and Centreboard Members may only nominate or second candidates as per Clause 9 (5)(c) and Clause 11(2)(c).***

Rear Commodore Andrew McAullay spoke to the motion. To allow non-voting members to nominate and second other non-voting members.

Seconded Captain Dinghies David Hinton

Questions:

Colin Harrison – Crew members must be nominated by the current skipper. With the sail training programs, many of the members that come through that program do not have a regular skipper. How would that work?

Tony Strickland (Membership Chairperson) – the view taken is that when they go through the training program, the skipper on the boat that they are training on will be the nominator for the new members.

Rear Commodore added that if not the current skipper of the boat to which the person crews, proposed members must be nominated by a Flag Officer, this change will allow a member of General Committee to sign off on that nomination.

Commodore Offer advised that it's about making the Club more approachable and removing those hurdles.

No further debate.

**CARRIED**

### **6<sup>th</sup> NOTICE OF MOTION**

***“That Pamela Strickland be awarded ‘Honorary Life Membership’ of the Royal Perth Yacht Club for her exemplary service to the Club”.***

Commodore Shawn Offer to speak to the motion.

Seconded Vice Commodore Janet Hornbuckle

No debate.

Clause 5 of the Constitution at subsection (2) requires that an election pursuant to clause 5 subsection (1) of the Constitution shall be by way of secret ballot.

**Commodore** asked voting Members to adjourn and lodge their votes.

2043 hrs meeting reopened.

### **ELECTION OF OFFICERS:**

The votes have been counted and I now declare the following elected for 2023/2024:

GENERAL COMMITTEE	MR BEN FITZHARDINGE
GENERAL COMMITTEE	MR DAVID HINTON
GENERAL COMMITTEE	MR MICHAEL O'LOUGHLIN
GENERAL COMMITTEE	MR ROB SCHARNELL

CAPTAIN DINGHIES	MR MICHAEL JONES
CAPTAIN POWER	MS FIONA LAING
CAPTAIN SAIL	MR ALAN THOMAS
HON TREASURER	MR BRAD WEARN
REAR COMMODORE	MR MARK BUSIO
VICE COMMODORE	MR ANDREW MCAULLAY
COMMODORE	DR JANET HORNBUCKLE

Vice Commodore congratulated Commodore Shawn Offer on the completion of his term as Commodore and his commitment to the Club during his 10 years on General Committee.

She gave personal thanks and thanks on behalf of the General Committee and the membership for the leadership shown over Commodores Offer's time on General Committee stating that his legacy is the significant strengthening of governance through policies and procedure underpinning the Club's structure and operations.

## **GENERAL BUSINESS:**

**Member Awards** (presented by Commodore Shawn Offer)

### ***Commodores Commendation***

Mr Mal Wilson  
Mr Man Singh  
Dr Jess Myers  
Mr Michael Jones

### ***Horace Rumble award***

Mr Colin Harrison OAM

### ***Honorary Life Membership***

Mrs Pamela Strickland

## **Other Business:**

Ken Chapman – also sails at RFBYC and they use a flag for the start to give the course and also a number board system. We have installed a number board, however it is not being used. Issue is our flags are very small and on a still day they do not work. Ken asked that the Club adopt and use the number board to give the course as well as the flags.

Commodore – advised that the secondary system is the radio and encourage everybody's use of the radio from a safety standpoint.

Rear Commodore – will take to Regatta Committee to address.

Ken Chapman – occasionally do not use radio. Number board is infallible.

There being no further business the Commodore thanked the members for their attendance.

RPYC is now the oldest yacht club in the country to have a female Commodore. Amazing to reach this time in history.

Meeting closed at 2102 hrs.

CHAIR .....

DATE .....

DRAFT