



NEWSLETTER

JANUARY, FEBRUARY & MARCH 2010

PRESIDENT'S REPORT

General Manager Termination: After some consideration over the Christmas break and hearing the many rumours and speculation about the termination of the contract of employment of the previous General Manager, Steve Crawford, I have decided to provide a brief statement about the matter. Some of the stories I have heard are very much off the mark in terms of what really happened and wildly inaccurate in both directions.

Before acting on this matter, I sought advice about the termination process from Clubs Queensland, our Human Resource Management and Industrial Relations advisers. We followed that advice.

The reality is that the decision to terminate Steve was made by the whole Management Committee and the vote was unanimous. The issues were:

- Most seriously, the General Manager misled the Management Committee by presenting multiple versions of the events related to cash payments for goods by him and his reimbursement.
- The General Manager failed to fulfil financial accountability requirements in a proper manner. He had previously been counselled about this type of issue by the President and Treasurer at a Finance Committee meeting last year.
- The General Manager improperly authorized a "loan" of stock to other parties which was not replaced.

The Members of the Golf Club have a right to expect that the Management Committee will act quickly and decisively when it is concerned that there is a risk to the financial management of the club. The committee considered there was sufficient evidence and concern for us to decide to act quickly. The trust and relationship between the Management Committee and the General Manager needed for the effective management of the club had been irreparably damaged because of certain actions by the General Manager.

Other problems and evidence of inappropriate actions by the former General Manager have emerged since his departure. Under closer scrutiny of the accounts, it is clear some have cost the club foregone revenue. Serious administrative deficiencies, particularly in the human resource management area also left many difficult and costly problems to resolve.

It is a difficult and unpleasant duty to have to terminate a person's employment. It is even more so at Christmas time. The Management Committee did not do this lightly for those reasons and because we knew that it would require extra effort from us to manage the transition to a new management structure and appointment.

It will take us some time to address all of the issues and get the proper management in place. In the mean time, I hope this puts an end to the matter. The Members need to remember this is their club and no one individual is bigger than the club. I call on all Members to support your club to protect its future because in the end, we all want to continue enjoying its facilities and fellowship with our friends.

Acting Manager: The Management Committee has decided to appoint Todd Newman as Acting Manager of the club. We needed to make this appointment to provide some stability for the staff in continuing with their duties. It also takes away from me the direct responsibility of managing the club which is something I am neither qualified nor seeking to do. The position will be formally advertised once we have decided on the appropriate structures for the future.

Todd has the experience necessary for the role. He will stand down from his role as Committee Member for the period he is an employee of the club.

- In 1997 he held the Licensee's position at the "The Vauxhall Inn" - Sydney West.
- He possesses an Hotelier's Licence – statutory requirements (responsible liquor/gaming, licensed premises management, common law, human resource management and occupational health and safety requirements.)
- He has managed gaming operations
- He has managed licence applications for variance to trading hours and extensions of trade
- *Inter alia*, he has managed the day to day Hotel operations, Orders and Stock control, Poker Machine and ATM clearances, Banking, Wages, Staff management, Cellar and Bottle shop operations, Accommodation, etc.
- In 1998, was appointed Chief Executive Officer for an entire Hotel group employing over 200 staff with an annual turnover in excess of \$25 million.

He has also experience in being a bar attendant, has had extensive experience in golf course greens and course maintenance, having spent many volunteer hours at the Mosman Golf Club. He has been a greens keeper and undertook studies in this field. He attained a level 4 in greens keeping and has performed all duties of course maintenance including greens and fairway mowing, fertiliser, poison and pesticide application, course set-up, etc.

Outlook & other issues: While Treasurer John Farham will go into much more detail about the financials for the first quarter, I can say that October and November were very poor trading months. My understanding is that this was not unusual for clubs and restaurants in the region generally. I am confident that it will pick up in the future as the general economic outlook looks like improving. But we are in for a tough time in the immediate future.

Payments of Membership fees have been very slow. At the time of writing, it is too late to do anything about that this year. I know that a number of Members hold off because they see it as prudent for their personal financial management strategies. There are those who hold off to punish the Management Committee for not offering a discount. I need to say to both groups that Management Committees are transient entities and it is your own club and yourselves that are affected by your decisions in the end. The net result is that the club has had to use an expensive overdraft facility to provide operating cash over the two months since the invitations to renew were sent out.

Some Members will argue that if you had offered a discount (the expectation is 5%), we would have paid sooner and you would have had the cash. My response is that if we could afford a discount we would have considered that. We cannot afford a discount. The increase to Membership Fees this year is insufficient for running the club at the level Members want. To offer a discount would have been foolish and reduced income by around \$21,000. The club has to sell a lot of beer, wine and food to make \$21,000. Having said that, whatever the members give us plus whatever else we earn has to be enough. That is the Management Committee's challenge.

On behalf of the Management Committee and all other committees before us and those to come, I want to say that committees are made up of individual volunteers with all the failings that you all have. Those volunteers work hard wrestling with daily problems in running this important business. Decisions are often hard and unpleasant but they are made in good faith and with the best interests of the club at heart. Some decisions are wrong but most are not.

I present these issues to you not to be controversial but in the hope that, in the interests of the club and future committees, Members will might consider the impact their actions have on the whole club rather than the individuals involved.

Geoff Skerritt – President

TREASURER'S REPORT

Hervey Bay Golf and Country Club Inc

Treasurer's First 3 Month's Report

<u>Income Result</u>	<i>Oct 08 to Dec 08</i>	<i>Oct 09 to Dec 09</i>	<i>Oct 09 to Dec 09</i>
	Actual	Budget	Actual
Bar	203,515.00	198,000.00	188,269.00
Bottle-Shop	42,907.00	38,100.00	36,986.00
Gaming	180,476.00	189,400.00	157,089.00
Catering/Functions	172,979.00	166,000.00	142,811.00
Keno	5,618.00	5,340.00	5,510.00
Golf	190,193.00	147,500.00	143,400.00
Members Fees	296,075.00	325,700.00	118,064.00
Social member Fees	7,264.00	6,000.00	9,457.00
Other Income	26,950.00	28,320.00	20,597.00
Total Income	(Note) 1,125,977.00	1,104,360.00	822,183.00
<u>Cost of Sales</u>	213,887.00	179,890.00	179,289.00
<u>Expenses</u>			
Golf Course	47,237.00	37,980.00	43,834.00
Wages and Super	307,761.00	262,650.00	279,147.00
Other Expenses	375,469.00	340,007.00	333,294.00
Total Costs	944,354.00	820,527.00	835,564.00
<u>Operating Profit</u>	(Note) 181,623.00	283,833.00	- 13,381.00

Cash-Flow

Cash at Bank as at December 2009	\$23,768
Cash Surplus as per Cash-Flow	<u>\$294,729</u>
Cash shortfall against Forecast	<u>\$270,961</u>
Trading Account shortfall	<u>\$270,685</u>

The most significant item contributing to the shortfall, is the under collection of Members Fees	(Budget)	\$325,700
	(Actual)	<u>\$117,200</u>
	Shortfall in Fees Paid	<u>\$207,900</u>

The overall shortfall is best explained by the following calculations:-

Budget Operating Profit	\$218,517
Actual Operating Profit	<u>-13381</u>
Total Deficit versus Budget	<u>\$231,898</u>

Deficit = Shortfall in Member Fees	\$207,900
Termination Pay	<u>\$29,000</u>
	<u>\$236,900</u>

The Future

As can be seen in the above calculations, Cash is still of a major concern. However, other disturbing trends are emerging which need urgent arresting action. More than ever, the Club's Management **must** tighten up on expenses. The following table suggests that the economic down turn of recent times has had an adverse effect on your Club's performance - the inability to collect Fees at a similar rate as last year is an indication of this phenomena.

Run-Rate Comparisons

	<u>Actual</u> <u>2008/2009</u>	<u>Budget</u> <u>2009/2010</u>	<u>YTD</u> <u>3 mths Dec</u>
Sales	\$4,500,487	\$4,582,780	\$1,085,953
Run-Rate per Day	\$12,330	\$12,556	*** \$11,804
Cost of Sales	\$1,904,357	\$1,916,800	\$443,058
Run-Rate per Day	\$5,217	\$5,252	\$4,816
Expenses	\$2,518,367	\$2,336,755	\$656,276
Run-Rate per Day	\$6,900	\$6,402	\$7,133

However, we know about Fees undercollected, so the Run-Rate in Sales for the 3 months need recalculating:-

Sales	\$1,085,953
Less Fees collected	\$117,200
Sales adjusted	\$968,753
*** Run-Rate adjusted	\$10,530

If these trends (Run-Rates) continue, then the end of year result could be similar to the following scenario -

Sales	\$10,530X365	\$3,843,422
Add Membership Fees		<u>\$517,200</u>
Adjusted Sales		\$4,360,622
Cost of Sales	\$4,816X365	<u>\$1,757,840</u>
Gross Profit		\$2,602,782
Expenses	\$7,133X365	<u>\$2,603,545</u>
Operating Loss		<u>-\$763</u>

To avoid these possible outcomes, your Committee will;-

- * Make the necessary decisions to arrest any dangerous trend.
- * Take strong action where necessary to correct overspending and waste.
- * May at times be ruthless in its its decision making in the interests of Club Members.
- * Will strenuously pursue any avenue which will enhance the Club's financial viability and reputation.

Note

Total Income, and hence, Operating Profit for the 3 months ending Dec 08 have been adjusted to account for amounts earned in those 3 months, but which are since, non-recurring.

FROM THE GREENS

I would like to start with a thank you to all the members and visitors who have come forward with compliments on the condition of the golf course. I have passed on all the accolades to the ground staff. They have put in a big effort this year considering the lack of rainfall.

Currently with all the rainfall (for which we are truly thankful) come the insects. The rain has brought in the African black beetle and the crickets chewing up the greens in competition with the birds. We have sprayed at time of writing to kill the larvae that is under the playing surface of the greens and some greens are more affected than others.

Now that we are receiving a wet season, the mowers will be on the course more often to maintain the length of the grass both on and off the fairways, so I ask that you to be more patient and allow the ground staff to complete their tasks whilst playing your round.

Due to delays - weather being one, the work on the mounds on the 9th fairway will be roped off completely and treated as GUR. Any balls lying within the roped off area will be able to be picked up and removed to the nearest point of relief.

Again we are still having problems with vandalism on the back nine holes. They seem to enjoy smashing our sprinkler heads (the cost for one head is \$330) and removing the flags.

I have also received reports from members living near the course about players using the 4th and 13th holes as practice fairways and chipping greens using quite a number of balls. This seems to be occurring in the late afternoon; I would hope that they are not members.

Members travelling from Eli Waters and 13th fairway homes please use the tracks and roads provided, we are seeing too many members crossing fairways and also using the practice fairway to get to the clubhouse. You can bet they will be the first to complain when they get hit by a golf ball or hit with course machinery (we've already had one near miss).

A number of members have complained over past weeks that the lack of grass under their ball around the greens makes it difficult to play a shot. This situation has been partly created by members who persist in driving their carts as close to the greens as they feel is convenient. Our club is not fortunate enough to have cart paths around every green, hence the 15m rule is the club's directive.

Rope fences are currently in play to restrict traffic and allow regeneration of the turf on some fairways. They should be removed by the end of the month.

Course Superintendant Keith has requested that during wet conditions and even during the hot summer months he would like to see members keeping the golf carts off the fairways when travelling between shots. Please use the **90 degree rule** (**drive down the side of the fairway until you are opposite your ball**) this will prevent further wear and tear along with compaction to our fairways. We seek your cooperation in supporting this initiative.

Our greens staff provides us with a well-presented golf course under many different conditions, but *we must assist them* by doing those little things that make everyone's golf experience more pleasurable.

- Rake the bunker as you exit and place rake in the direction of play when finished; and if you see a part not adequately raked, take time to fix that area as well.
- All players are required to take a sand bucket onto the course however some must imagine this is an optional fashion accessory, because they choose not to use them. Please fill in all divots. If you see a divot someone did not fill, take the time to put some sand there too. Remember it may be your ball that rolls into the divot next time.
- When you arrive at the green, repair your own and any other pitch mark you may see.

The practice putting green has improved remarkably since the removal of the surrounding palm trees; it's amazing what a little sunshine does to improve growth. During the year we are going to be looking at other areas where trees are affecting grass growth to tee & greens due to constant shading.

Good golfing and have a happy & healthy New Year.

Fred Lynam – Vice President Greens

SECRETARY'S NEWS

With the Privacy Act in place, the need for careful use of Member's information must be addressed. All photos and publicity for the game of golf will be the responsibility of the Captains. The providing of results to the newspapers and photos of honour board events or events of importance will be handled through the office. Members will need to agree to the release of this information.

The Liquor Act requires that all alcohol consumed on the course or in the Clubhouse must be purchased from the Club. Contravention of this could result in the cancellation of our Liquor License. Players are required to make their purchases from the Club.

The review of the Sub-Committee on the game of golf has now been completed. The main finding was that the ladies were to receive the same benefits that the men receive.

- Men and Lady Pennant players are to receive sponsorship for shirts from the House of Golf which is very much appreciated.
- Major sponsors only will receive benefits relating to competition play, the lady trophy donors not covered by the golf sponsorship package will not receive a "free game". More information is available from the Club Captains.

Cart shed rental – It was noticed that on contracts being returned for the twelve (12) months rental, names were being added with the member's name that is listed. The Management Committee has considered this but is of the opinion that this practice is not fair to the members currently on the waiting list. So, apart from husband/wife/family rentals, these contracts will only be accepted in the name of the original member renting the shed. When a member is no longer able to continue with the contract then the next person on the cart shed waiting list will become eligible for that shed.

25 Year Honour Board – I would like to request members who have had 25 years membership or more to advise me to allow the board to be up-dated .

Shirley Tarte - Secretary

NEWS FROM THE HERVEY BAY VETS

Greetings for 2010.

2009 finished with a wonderful Christmas Dinner and Entertainment. I am sure we all enjoyed the evening and the way it was presented, well done John Fisher and the wonderful committee.

I now am fortunate to have that committee this year. We have a great calendar ahead of golf, which I hope will bring the best out of us. The course is looking in great shape so we don't have excuses, just bad luck here and there.

I might be digging a hole for myself here, but, if you have a point to make, don't brood on it, tell us, then we can act on it.

The shirts are underway. The ladies shirts look top of the shelf. I am working on our shirts gentlemen.

Our Vets opening Day is on Monday 1st February - See you all on the course.

Maurice Shaw – President.

FROM THE LADY CAPTAIN

Welcome back to you all and I hope that you had a good and enjoyable Christmas holiday. I believe that the year 2010 will be another good golfing year for us. I would like to express my sincere thanks to all the ladies who supported me in the last year and for all the help that you offered.

My vice-captain Sandra Kerley will work hand in hand with me. We will try our very best to help those who need guidance and answer all queries about ladies golf. Isabel Tapp will still be Ladies' Handicapper and in-charge of our Mid-Week pennants team. We will work together and try to repeat the good performance which we achieved in the last year. We are looking for ladies who are willing to play or just caddy. Pennant shirts will be provided, sponsored by The House of Golf and Eagle Boys Pizza.

Ladies Opening Day is 10th of February and it's an 8 am shotgun start. The game will be a 4 Ball Aggregate Stableford.

March 3rd is our first Monthly Medal of the year. It will also be the start of the points and putts, eclectics and birdie competition. Don't forget to pay for your entry for these before the commencement of the events and these are available from Reception.

Dates to remember:

March 3 rd	Round 1- GQ Brooch
March 14 th	Burrum Ladies Open
March 17 th	Round 1- Keith Miles Classic
March 24 th	Final Round - Keith Miles Classic
March 28 th	Bargara Ladies Open
April 7 th	Monthly Medal- Round 2 GQ Brooch
April 13 th	First Pennant Match at Isis
April 18 th	Gin Gin Ladies Open
April 19 th	District Lady Vets 4BBB at Isis
April 28 th	4 BBB Qualifying Round for Elimination Competition

Please don't forget to have a glance at our Notice Board as information will be posted for important events to come. Also a reminder to all players that there are ways to play ready golf and tips are still on the Notice Board. This was posted early last year and don't be afraid to play out of turn when you're ready. There is no penalty.

On the recommendation of the sub-committee established to investigate the procedures in place for the game it was decided that the ladies usual \$25 trophy donor would no longer receive a "free game" except for special sponsorship packages on offer. It's still very much appreciated if anyone is willing to support the ladies. It's still not too late to put your name down as a trophy donor.

Lastly, I wish everyone a happy and enjoyable year.

Ruth Bartolozzi - Lady Captain

THE CAPTAIN'S CORNER

Welcome to golf in 2010

I will be keeping my reports short and sweet as typing is not my favourite thing to do.

The start and finish of 2 tee timesheets on Thursdays and Saturdays during winter will be published in the program book.

We have made an addition to the local rules: All stakes GUR, Hazard, Distance and No Go areas are **IMMOVABLE OBSTRUCTIONS** you must take relief at the nearest point no closer the hole, you **may not** pull them out. Rule 24-2 applies.

It has come to our attention that some players are playing some holes prior to a competition either when they are walking to the clubhouse or in junior practice or just generally practicing. Practicing on the course prior to a competition is against the rules of golf and will result in disqualification.

A few members are not paying for social play; we have instructed the Pro Shop when possible to police this problem or to report the offenders to the committee for further action.

Slow play is an ongoing problem in large fields; there is no penalty for playing ready golf, however you may be penalised for not keeping up to the group in front. If the group in front is getting away from you then you are playing too slowly.

To the members who approach me to complain about the course or the job the greenkeepers do, I happen to believe the green keepers do a great job and we should be very proud of the condition of our course.

Tony Lambour - Club Captain

JUNIOR NEWS

Welcome to the New Year 2010, we wish all our golfing friends a happy year on and off the course.

2009 ended with a great day for our juniors with our Annual presentation day held on 20th December.

Everyone enjoyed a great day with a fun game with their parents and then a sausage sizzle lunch before the awards were handed out.

Major awards went to Wade Baddeley, Tyson Olive, Megan Vivian, with the Bellerio Cup won by Jacob Cullen gross and Nick Braun best nett.

The other major award was the inaugural presentation of the Junior Order of Merit. This trophy rewards the player who shows the best aptitude over a number of fields such as attendance, play, attentiveness, practice, amongst others, rated on a fair points system. This year, and the first ever winner was Morgan Pascoe. Well done to all of our juniors for a great year, we are very proud of you all.

On the day we presented to those gathered our 2010 Junior Pennants Squad. These boys are Jacob Cullen, Nick Braun, Connor Reeves, Tyson Olive, Michael Lewis, Wade Baddeley, Jackson Mantiet, and Jason Childs. These boys will be representing the Club and the rest of our Junior Team at the pennants for 2010 and have already been busy going through their paces every Friday afternoon at our practice sessions. Good luck guys we hope to see another pennant for the wall this year.

Our Sunday Junior Clinics are nearing us again, as we wind our way towards February. At this stage; all things going well we are looking at an Opening Day on Sunday 7th February. If any members have sons or daughters who are interested in joining us for the year please feel free to contact Brian or Pete.

As our year progresses we hope to be able to bring you more great results from our juniors. We have several boys and girls who are almost at the point of playing in the Junior Carnivals and representing the

club in the Club Handicap events, as well as our 'older' boys representing us across the state and district. It really is an exciting time for us all.

To all of the members who kindly donate and give their assistance to the juniors, and show patience we would like to take this opportunity to thank you for your support, it is very much appreciated.

We believe we have one of; if not the strongest Junior programs in the District, 5 Wide Bay reps, Queensland state & Australian U12 boys Champion, 4 single figure players and several just a few shots off single figures, and a band of younger players who are all keen and willing to learn. Your support filters all the way through our program and allows us to help these juniors realise their potential.

I almost forgot, for anyone who hasn't already noticed, we presented the Club with a picture of Connor from his Australian Titles win, and this is now proudly hanging in the Clubhouse.

Well that's about all for now until we see you all out and about on the fairways and practice areas, good golfing.

Brian Carrigan & Pete Cherrett

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