



Royal South Australian Yacht Squadron
QUARTERLY MEMBERS MEETING
Held in the Squadron Dining Room
8pm on Thursday, 1st December 2016

MINUTES

Attended by:

Commodore Rae Hunt, plus 53 Voting Members and 17 Non-voting Members/Guests

Apologies:

As recorded in the register

Bereavements: Capt Douglas Bourne-Jones OAM, Kyffin Cook (Past Member)

One minutes silence was observed

Minutes for previous meeting the Members Quarterly Meeting held 29th September 2016

Minutes received Commodore Rae Hunt, seconded Roger David Borg – carried

Amendments to Minutes:

- Chris Riggs felt there was an omission in the discussion for the Treasurer's Report, as a consolidated report was presented not a full report and requested a full report

Commodore Rae Hunt moved the minutes be adopted subject to amendments, seconded Michael Rossiter – motion carried

Business arising from the minutes:

1. Peter Hansen: commented that he hadn't received the meeting notification
2. Commodore replied – They were sent by email seven days prior to the meeting

Commodore's Report – presented by Commodore Rae Hunt

An overview of the past few months of activity:

1. The Motion in regard to the Kaurua welcome before meetings has been withdrawn – applause
2. We are in peak sailing season and many events at the club:
 - Other Clubs Opening Days
 - RSAYS Opening Day which was a day to remember with a great after party enjoyed by all
 - Eastern maintenance pontoon to be installed in the next few weeks
 - Etchels wedge is on the urgent maintenance work list and is with DAP (Development Advisory Panel) for costing and plan of action, which management needs to approve a budget and implementation
 - Thanks we given to Lloyd Cushway for his diving and engineering expertise
 - Thanks also given to again to Lloyd, Bones and the maintenance team in removing the massive amount of seaweed from the marina
 - Pontoons below the yellow crane are under investigation for safety and access. Management is waiting for recommendations from DAP
 - Other areas identified for repair or replacement are the walkway pontoons at the boat launch area, slipway cradles and concrete pile in Stage 1&2 marina
 - It is important that the Club has a planned and programmed maintenance schedule to ensure that the assets are kept in reasonable condition at all times

- Management Committee and the Board have time in the New Year to review all capital projects, prioritise, program, investigate feasibility and costing prior to bringing it back to the members for consultation and possible approval in principal to continue
- An overview of some of the future capital projects: Jimmy's Bar Extension, North Bank maintenance pontoons, Refurbish Stage 1&2 marina, rebuild/demolish the eastern dinghy shed, Junior Sailing relocation and launching pontoon, Stage 5 marina, New Racing Committee boat & Club carpark resurfacing
- These projects may or may come into fruition are (subject to member's approval). One important aspect of future plan is that we do not over commit ourselves, everything we do or put in place now, must ensure the long term sustainability of the Squadron.

On behalf of the Management Committee and Board we wish you a very safe and happy festive season

Move that the Commodore's Report be received Commodore Rae Hunt, seconded Peter Hansen

Questions arising from the Commodore's Report:

1. Kingsley Haskett: The pontoons that are being scrapped are member's property and you need members' approval to remove or repair. There is a maintenance programme in the office that has been ignored for 16 years. It's not a Management decision to destroy or remove our property
2. Commodore: Taken under advisement
3. Peter Last: Asked to remain seated even though the Constitution Clause 14.12 says one must stand to speak. He wished to correct Mr Haskett as Management is vested by the members to act on their behalf. Approval of members is not required.
4. John Phillips: There was a wedding held here that was moved indoors due to the weather at the same time the sailors came in from racing. He asked that the dinghy shed be used at short notice rather than upstairs
5. Commodore Rae Hunt replied improvements to Jimmy's is on the capital works programme

Move that the Commodore's report be adopted by Commodore Rae Hunt, seconded Steve Kennedy – motion carried

General Manager's Report

1. It has been a busy few months and it included RSAYS being named the Function Venue for 2016
2. Opening Day was a huge success, thanks to all who helped make it that success
3. Many other events were held such as the Squadron Ball, Seven Seas Market, Melbourne Cup Lunch and Clipper Round the World & One Sail Presentations to name a few
4. Cruise ship season has started and we are promoting the Squadron to the passengers & crew to visit while ashore
5. Maintenance is always a challenge especially after the many storms causing damage. We are working through the damage and repairs, some of which are covered by insurance. Thanks to Mal Mead and his team for their assistance
6. A great result was achieved by the grounds clean-up programme for Opening Day
7. The new maintenance pontoon is being prepared for installation by Development Advisory Panel (DAP) in the next two weeks which will be in time for the 9ers Nationals
8. We are proud that we have recently won the Function Venue of 2016 awarded by Clubs SA
9. We also received a five star food safety rating from the Port Adelaide Enfield Council inspector
10. The solar project has been completed which should have a pay-back period around of 3.6 years. We expect this to reduce our electricity bills by almost 20%. We have secured a sponsorship from the company as well as member discount offer
11. We have released the second edition of the Club Brochure which is cost neutral and is delivered to 3000 premises and is available to members from the office
12. Thanks again to Mal Mead for his helping securing the donation of sand for the launch area for the 9ers Nationals in January. Down Under Sail is doing the media coverage including drone footage of the action as well as some event/marina/Clubhouse footage that can be used for promotion material.
13. There are new bin covers on the quarterdeck to complete the smart new look of the deck
14. New sponsorship agreements have been made with Flinders Ports, Solar Depot, Oatley Wines, Porters & Co. Wines, Bethany Wines, Kaesler Wines, Opal Diamond Factory, Michael McMichael, nautilus Marine Insurance, Port River Marine Services and MUSTO. Plus working on new sponsorships with Club Marine and Down Under Sail Magazine for the 9ers Nationals

15. Quotes are being sought to repair the cracking on the concrete piles which we hope to have done by the new year
16. We have new trolleys for use around the marina. They are more robust than the previous ones

*The General Manager requested that the Commodore move that his report to be received
Move that the General Manager's Report be received Commodore Rae Hunt, seconded Robin Smith*

Comments/Questions arising from the General Manager's Report (GM):

- Julian Murray felt the new bin covers on the quarterdeck are not practical as they only house small bins and you can't lift the lid for bulky items or plate scraping and it's difficult to put bottles in the bin gently
- General Manager Andrew McDowell (GM): They are designed to please and not for large bags of rubbish. The large bins to the side of the Clubhouse are for bulk rubbish.
- Keith Hancock complimented the GM and his staff for all their achievements – applause
- Kingsley Haskett: What is the total in dollar value for the sponsorship of the club?
- GM didn't have the information at hand but will get back to you as some of it is value in kind as in donations and discounts. The amount this financial year is \$16,800, \$12,000 more than last year
- John Butterfield: How will you get the 150 tonne of sand up again after the 9ers event?
- GM: It will be left there as a second place for the Juniors to use
- John Butterfield: It won't stay there long through storms so it will then need dredging

Move to adopt the General Manager's report Commodore Rae Hunt, seconded Roger Oaten – motion carried

Treasurer's Report: presented by Treasurer Ian McDonald

- RSAYS Inc – Report displayed on screen
- Income this year to October \$1,241,417, last year \$1,067,503
- Expenditure this year to October \$1,211,253, last year \$1,064,335
- Profit this year to October \$30,164, last year \$3,169

Draft Figures RSAYS Inc to November: New style report displayed on screen

- Income this year \$1,493,646, last year \$1,276,207
- Expenditure this year \$1,429,908, last year \$1,282,683
- Profit \$63,738, last year Loss \$6,476

- RSAYS Ltd – Report displayed on screen
- Income this year to October \$118,051, last year \$113,301
- Expenditure this year \$76,587, last year \$78,906
- Profit this year \$41,464, last year \$34,396

The Treasurer spoke to his report in regard to a new software system Xero

The previous reports have been compared to last year, the new reports are to better understand all activities and better costings for outside functions and their worth and member events.

1. List of each department's profit or loss
2. Cost of service and other income
3. Operation costs for Administration
4. The new programme is a work in progress which over the next few weeks will move across from the old system
5. We will be able to create a more informed report in a timely manner
6. At the next quarterly meeting there will be more information

Move to receive the Treasurer's Report, Commodore Rae Hunt, seconded Helen Mitch Mead

Questions arising from the Treasurer's Report:

- John Butterfield was totally disappointed that we were given one sheet and then you spoke to new papers. Profit and Loss for last year doesn't match this sheet
- Treasurer: The report issued was up to end of October and the report presented is to the end of November. It was only produced today as we wanted to show more information to the members
- John Butterfield: Last year's figures are not true and correct, they're not right on these forms.
- Treasurer: that's the monthly figures not year to date

- Richard Colebatch: It doesn't mean much if the figures don't match, can we discuss it?
- Treasurer: said he's trying to define the current structure and haven't yet defined which category is apportioned between departments
- Richard Colebatch: appreciates the effort. Is there an explanation of what management are doing to arrest the downward trend in F&B figures as they need to improve!
- Treasurer: F&B to the end of November had \$400k income and \$446k expenses. As we get through the peak season it will probably breakeven
- Richard Colebatch: If outside functions offset the cost to members and the House Levy subsidises F&B then they should be making a profit
- Treasurer: The cost allocations:
Functions \$18k profit, Members Food \$36k loss, Bar \$57k loss. The loss in October is higher than in November. The bottom line is that our menu and wine list prices are comparable to those on the peninsula. The member discount costs \$30k, if there were no discount then F&B would be \$60k better off, keeping in mind the discount is a reward for members.
Chris Riggs: With adjustment to numbers brought forward the cost for the Clipper Ships and storm damage is approx \$70k out the door
Treasurer: the main variance is \$86k in front for maintenance, bottom line loss of \$7k until all invoices are paid.
Chris Riggs: Qualifying the scheduled maintenance is being done, figures show zero over and above storm damage.
Treasurer: The maintenance expense is for end of November, last year \$35k spent on repairs and maintenance with \$51k insurance. Until work is completed, can't give a clear statement. There is also catch up work to be done. The numbers will change as we get closer to Christmas.
- John Phillips: Notice will be raised to address the cost of hardstand ownership. The value of marinas has increased but hardstand values have not. The hardstand annual license fee is \$1,033 compared to rental of \$1,214. After discussing this with other hardstand license owners they don't feel it's a good investment and regret buying them. Ask for management to address this issue
- Treasurer: The hardstands are a disappointing area and management needs to address this to encourage more members so it will be taken on board to management
- Commodore: Will put it on the agenda
- Terry Gilder: has pointed out the ownership of trailer sailors transitions to keel boats. If we need to encourage trailer boats it will attract younger families and gradual transition including junior members
- Commodore: Taken under advisement
- Michael Rossiter: Commented that it is difficult to see the numbers on the screen, could they be printed in red not in brackets to indicate profit or loss
- Treasurer: It's just an example of the data and will be refined to improve the display
- Jeff Hunt: It would help if we had copies of the report. It was mentioned the move to new accounting system, is the marina going to pay forward to all areas?
- Treasurer: We will work out which activities they relate to and discuss which areas need a price change due to demand. But we don't want to over or under charge

Commodore Rae Hunt moved that the Treasurer's report be adopted, seconded Robin Smith - carried

RSAYS Foundation Report:

No meeting has been held since the last Quarterly meeting, therefore no report was presented

Management Committee and Board Presentation:

A briefing on new structure and New Constitution:

The working party consists of Rear Commodore Colin Doudy, Life Member Bob Hogarth and Commodore Rae Hunt. All are available for questions.

- Tonight is not for a vote of acceptance but participation will measure how to move forward.
- Discussion will be limited to 30 minutes and each member may only speak once.
- Encouragement is given for written submissions of constructive opinions or queries
- Everyone here is valued as is their opinion

Presentation on behalf of the Management Committee & Board by Rear Commodore Colin Doudy

1. The Draft Constitution has been worked on for around 8 years
2. Members think we need a resolution for the matter

3. The aim of the New Constitution is to combine the two constitutions of Inc and Ltd, in the move to a single entity
4. The recommendation is to move into the Ltd structure
5. There are three options – 1. Single entity as Inc, 2. Maintain two entities Inc & Ltd, 3. Single entity as Ltd
6. To move into a single entity as RSAYS Ltd owns all structures/assets
7. To move into a single entity as RSAYS Inc means selling Ltd to Inc, which with stamp duty and legals will be around \$500,000
8. To continue as two entities is inefficient as there are two boards of management and covered by two laws as in Inc is covered by State law and Ltd is covered by Federal law
9. Two boards of management means more volunteers are needed to run them
10. Members need not be alarmed as moving to a single entity won't be noticeable difference in how everything is run.
11. Retention of the Royal Warrant was important to all members so the Lord High Admiral was approached and approval was given to retain the Warrant
12. The proposed incorporated body management structure will have Flag Officers, a Treasurer and four committee members who will be full voting members and elected to the position. These members can be removed at a member's meeting.
13. Capital expenditure remains as is with member approval for expenses
14. The notable change under the Ltd entity is that it allows proxy voting which some see as a negative as you don't need to attend to vote.
15. The Constitution is a living document which can be amended with approval by members
16. In summary – Management don't believe there will be any loss to the members but there will be a gain in efficiency
17. Asking for support for the single entity
18. The Constitution has been through around ten version. It has been incorporated into a document of which the base document was prepared by a legal firm. The last draft will be legally checked

Commodore Rae Hunt advised the draft proposed Constitution will be available later next week. Written opinions and questions are requested from the members. She re-iterated that many members have put in many years of effort so we need to put forward a motion in March 2017 for acceptance.

Thank you in advance for your participation

Questions arising from the Presentation:

- John Philips is strongly in favour of a Ltd Company and is interested in an explanation of the categories of membership, for example are the voting members going to be shareholders?
- Commodore: replied the class of members and their voting rights stay the same
- John Phillips: The question is of ownership of the company
- Commodore: All members will roll across to the company. Specific members will have voting rights
- Kingsley Haskett: in watching this happen expressed he is not happy that your committee was permitted to investigate the two entities and now we have more than that. There is no advantage in the Ltd entity. A board of directors can override the members, the members have no rights which we do have at present. It doesn't change the financial position we are in at present. There will be no compulsion to take direction from members. As it stands we can vote out the committee at any time. It takes six weeks for a member to get onto the board which is quite disturbing. We have had 147 years as an incorporated body all will change for no reason.
- Commodore: Some valid points – please put it in writing
- Keith Hancock: The obstacle in moving Ltd into Inc is the cost of \$500,000. Enquiries could be made to cabinet to get relief from that burden
- Commodore: We were to have a legal representative here but they're interstate. We need a good understanding of the legal aspects
- Richard Smith: Understands that Ltd into Inc will incur a large bill but if we go Inc into Ltd are there any significant costs involved?
- Commodore: There will be costs whichever way we go. Our agreement will need to be looked at. They will need to reflect our current situation
- Peter Last: Acknowledges and thanks all involved. The simple fact is this meeting has no power to bind the Management Committee. Action at the meeting is to pass a motion of no confidence which has never occurred before. Please follow up the tax exemption status which we have as an incorporated body.
- Commodore: There are not for profit companies

- David Henshall: may have misunderstood in regard to shareholders. The shareholders in Ltd are the boat owners, will this change?
- Commodore: All members will be shareholders but there will be different levels who vote. Class will not change – Senior and Family will vote. Any major capital expenditure will be decided by Senior, Family and Intermediate who can vote to make or stop capital expenditure
- David Henshall said that was unreasonable and only boat owners should be able to vote
- Commodore will look into it
- Michael Rossiter: is not a lawyer but the cost of moving goods from one to the other, is it not a deed of gift?
- Commodore: Taken on notice and will check with legal
- Sally Metzger: we need an understanding of the history for the move. It needs to be explained more and does it give more protection or keep protection?
- Bob Hogarth: In the 1990's the subscriptions didn't cover the Club's activities and was nearly pushed to the wall. Jamie Cowell brought it back in line with the explanation that the temptation to spend money needed to replace marina berths left us exposed. Ltd was formed by limited guarantee after the Sydney to Hobart disaster when CYC Australia were likely to be sued for setting up the race. We were concerned it may happen here and thought we could protect our assets from liability. We spread the load by having two bodies to ensure that activities were paid for by the incorporated body.
2011/2012 we had a meeting to explore ideas for all aspects for structure. A much larger organization was proposed as members wanted a smaller management. A decision against a complicated organization to go back into Inc but wasn't practical due to stamp duty, land tax etc. The \$500,000 was unavoidable. To have one entity it will have to be go to Ltd.
We will sort out the issues but it may not be the only answer, so give it some thought.
- Steve Kennedy: A couple of points as we are open to invite people to twilight racing we could be eligible for training allowance. Also investigate a payroll exemption through the ATO
- Commodore: Please forward any questions and queries. Thank you for being respectful and we look forward to giving further insight as time goes on

Motions on Notice from Members:

Motion 1

“That the General Manager obtain quotes from companies specialising in noise absorption with a view to reducing the level of intrusive sound in the dining room and also in the kitchen through the hatch during times when there are many people and/or diners being served”, moved Marion Holden seconded Steve Kennedy

Marion Holden spoke to her motion: we have a wonderful new facility but there are grumbles from not being able to be heard. The old dining room didn't have this problem. She's not the only one to experience this and it's also difficult to hear the television and conversation.

- Kingsley Haskett is For the motion: the old clubhouse had acoustic ceiling tiles. Some may remember the posts that separated the areas and broke up the sound. The room had a different sound but now everything bounces around.
- Arthur Vandebroek is For the motion: has complained about the noise before. Acoustic tiles must be looked into
- Trevor Hamlyn is For the motion: you need to get the advice from a consultant to get the correct advice

Amendment to motion:

Bruce Roach moved that we replace “quote” with “advice” and replace “company” with acoustic engineer”. Then report back to a Quarterly meeting. Seconded Richard Smith

The amendment to the motion was accepted by Marion Holden

- Carol Smith: in the interim the kitchen staff should make the effort to keep the noise down and not clatter cutlery and pots

Vote taken for the Motion:

“That the General Manager obtain advice from acoustic engineers specialising in noise absorption with a view to reducing the level of intrusive sound in the dining room and also in the kitchen

through the hatch during times when there are many people and/or diners being served. Then report back to a quarterly meeting.”, moved Marion Holden seconded Steve Kennedy

Scrutineers – Sally Metzger and Andrea Mead

Vote For – was unanimous

Vote against – 0

Motion 2

“That the General Manager obtain quotes for the installation of suitable adjustable roller blinds inside the dining room windows in order to reduce daytime glare without eliminating the view”.

Moved by Marion Holden, seconded Arthur Vandebroek

Marion Holden spoke to her motion: We are an older club and people have problems with glare and wear sunglasses. We couldn't see the opera singers when they were here. We need blinds we can see through and keep the view.

- John Phillips agrees but it needs to be sound absorbing material
- Arthur Vandebroek thinks the blinds should be outside of the windows to keep out the sun
- Kingsley Haskett, it's a common problem also on power boats. Polarizing film is used to reduce glare, therefore doesn't impede the view day or night
- Vice Commodore Bruce Roach: in relation to the acoustics it needs a soft surface to absorb the noise. Polarizing film is a hard surface. We need to get advice first and defer to the next meeting for possible options.
- Rear Commodore Colin Doudy agrees with the polarizing film. If the motion is to be put – then get the cost of both film and blinds
- Keith Hancock the motion should be held over for the next Quarterly Meeting to allow time to investigate a solution
- Commodore Rae Hunt: deferred Motion 2 until the next meeting in March 2017

Statement of Conventions

“Squadron toasts, both afloat and ashore, are taken seated. This is in accordance with naval tradition, dating from an instruction of King William IV (1830-37).” Moved by Peter Last, seconded by David Borg

Peter Last spoke to his Motion: We have had conventions since King William's reign. We should codify our practice as what they should be.

RSAYS Inc Constitution 8.2:

“A description of a convention and its relevance may be promulgated to Members through a Squadron Circular, by notices placed in the Clubhouse or by other means, and as determined by the Management Committee”

1. Gentlemen must remove head gear on entry to the dining room. Many don't observe this and wear hats in the dining room.
2. Conversation on mobile phones in the dining room. Most leave the room to take their calls. Some make calls whilst in the room which is found offensive.
3. There should be more naval toasts afloat and ashore as per navel tradition

Scrutineers – Sally Metzger and Andrea Mead

Vote For the motion – Unanimous

Vote against the motion – 0

“There are two Squadron insignia, both featuring a crown above a white (silver) cross patée. The burgee is triangular, of dark (Oxford) blue. The oval is a buckled belt, with a frogged cord between the crown and the cross patée on a dark blue background. The belt has the words ROYAL SOUTH AUSTRALIAN YACHT SQUADRON. Moved by Peter Last, seconded by Robin Smith

Peter Last spoke to his Motion: he was disappointed as he wished to discuss the insignia with them on the screen but they're not available.

In July 2005 edition of Squadron Quarterly the difference were explained and pictured on the cover.

It is desirable by way of convention but some have re-badged themselves. He is appalled and dismayed that the Club is rebadged. We need to modify this convention

- Bob Hogarth: Against the motion. Look at the Agenda Badge – the crown is the King's Crown, it should be the Queen's Crown. It's normal to change crowns at the changing of the monarchy. The simple thing may be to do both insignia to be both King's or Queen's crown as appropriate.
Seconded Steve Kennedy

Peter Last accepted the amendment to include "both King's or Queen's Crown as appropriate"

Scrutineers – Sally Metzger and Andrea Mead

Vote for the motion – 50

Vote against the motion – 2

Motion – Carried

Commodore Rae Hunt to update conventions

General Business:

Richard Smith: Presentation

We held a dinner here for the skipper and crew of the *Tenacious* and presented them with three Clipper Books for their library as well as three books for the Squadron.

The books for the Squadron have now been signed by the author and presented to the Squadron

Commodore Rae Hunt accepted the books on behalf of the Squadron

Robin Smith – Presentation

The *Cooinda* has a long history with the Squadron unfortunately she fell into disrepair and consequently was demolished. The transom was kept and restored by Robin to present to the Squadron to display in memory of *Cooinda*

Commodore Rae Hunt accepted the transom as a great piece of Squadron history for display

General discussion followed:

- John Phillips expressed his disappointment in the Management Committee on Opening Day. It is a tradition to remove hats during the National Anthem, none of the committee did so.
- Commodore Rae Hunt apologized for not being aware of that convention
- Peter Last said the Commodore can be excused as ladies are not required to remove hats
- Kingsley Haskett: at the risk of offending the Management and others, they must bring forward what happened as to why Ltd was formed, as many members were against it. Rick Halliday was against it. Rick Mollison said it would never be challenged while Ltd is a holding company it will not be challenged. He doesn't support your going back on their word
- Commodore: There have been many meetings. The Squadron has given opinions and options
- Peter Hansen: As for conventions and behaviors we look to management for guidance. Most members observe them but when we have guest here they don't, so we need signage
- Commodore: It is protocol to advise people of the dress code. Maybe the staff need training
- Sue Buckley: When House & Social Committee put forward to put a sign in the foyer which had symbols for dress code
- Commodore; General manager will follow this up
- Peter last: The dress code in the Club is covered in the Constitution 17.8
"The standard of dress applying in the Club House shall be determined by the House and Social Committee. The General Manager or an employee at his direction may require a person not considered to meet acceptable standards of dress to leave or not to enter that part of the Club House determined by the General Manager."

It is a matter of discipline.

- Commodore replied that the General Manager will bring it up with staff
- Michael Rossiter: On the subject of protocol – dress has been addressed but functions held here sends sound across the marina. Should sound be part of the protocol?
- Commodore: Taken under advisement. There is a curfew time as with most functions
- Andrea Mead – House & Social Chair: is disappointed at the lack of open mindedness in regard of children. Be more mindful of members and visitors enjoying the Club – applause
- David Borg – thanked Scotty (F&B) for his service handing around the microphone

Commodore Rae Hunt closed the meeting at 10.28pm