



**MINUTES OF THE GENERAL MEETING  
TUESDAY 29 MARCH 2022**

**ITEM 1 ATTENDANCE**

The final number registered was 145 with 76 in attendance (in person and via Zoom)

**ITEM 2 APOLOGIES**

Adrian Wilson	Bernie Kaaks	Janet Blake	Geoff Totterdell
Matt Lussu	Reymond Styavan	Steven Young	Steve Delfos
David Thomas	Carolyn Jupp	Arthur John	John Cramer
Jim MacBeth	Bruce McVaney		

**Commodore Phil Hearse** declared the meeting open at 7:30pm with a quorum of 76 members (in person and via Zoom)

**ITEM 4 WELCOME TO COUNTRY**

**ITEM 5 PREVIOUS MINUTES**

The minutes for the previous General Meeting held on 30 November 2021 were approved

Moved: Mark Guvanyi    Seconded: Ron Greer    - CARRIED

**ITEM 6 BUSINESS ARISING**

**6.1 Department of Transport (DoT) Lease Negotiations**

Commodore provided an update on current lease negotiations with DoT. DoT wants to bring all sailing/yacht clubs onto a similar lease.

DoT originally wanted to increase rent to \$760,000 effective from January 2019 – Club originally went down arbitration pathway. This strategy has proved to be a very costly and risky due to final ruling being down to the arbitrator. The Board decided late in 2021 to seek a resolution through direct negotiation.

Terms can't be provided, however the Club is close to reaching an agreement.

**Jim Phillips** sought clarification the proposed rent increase was from \$34,000 pa to \$760,000 pa. Commodore confirmed it was.

**6.2 Maintenance and Project Update**

Vice Commodore provided an update to maintenance and projects undertaken since the previous meeting.

Work completed includes:

- Service Jetty Replacement
- Concrete Headstock repairs
- G Jetty Headstock repairs
- Mooring pile replacement
- Boat ramp jetty replacement

- Update on the coffee terrace upgrade and Sunset Deck BBQ project

**Bill Wreford** questioned who is doing the scoping work for all these projects. Commodore advised that all work is done in consultation with internal staff – Andrew Davidson, Project Manager and Paul Bailey, Consulting Engineer and everything is prepared on a professional basis. Commodore commented that we was very impressed with work done to date but all need to remain focussed.

**Matt Duff** commented on the large amount of workers undertaking maintenance – concerned about hourly rates being paid.

**Ron Watson** supports comments made by Matt Duff and questioned the amount of money being spent and said he thought this should be looked at more closely. Expects the new CEO to look at ways to save money. Also raised query about car parking resurfacing that was approved several years ago. RCS commented that the DFES fire upgrade need to be completed before resurfacing is done also drainage issues need to be resolved.

**Ron Greer** responded outlining measure that Fremantle City Council are now taking to remedy the drainage issue. FCC have now allocated funds towards resolving this ongoing problem (12 years).

**Ken Baker** wanted to know when the resurfacing was approved

**Ron Watson** also wanted to know when something was going to be done about the amount of car parking available to members. **Commodore** advised this would spoken about later in the meeting.

**Matt Duff** also raised concerns about the quality of the timbers being used on the J jetty work. VC commented the timber was recycled from the old service jetty.

**Ken Baker** then questioned how the car parking resurfacing could be done for \$60K.

## ITEM 7 FLAG OFFICER'S REPORTS

*Full reports are contained in the Agenda Booklet. Flag Officers added additional comments and called for questions.*

### 7.1 COMMODORE'S REPORT

Commodore provided a brief overview of his report and thanked staff for ongoing work managing the significant effects COVID has had on operating the Club. In particular, thanked Janelle Whyte and Andrew Davidson who have stepped up since the departure of previous CEO. Board are very aware of the difficulties faced by the Club moving forward and are looking at short, medium and long term strategies. Reinforced that Club revenue does not meet expenses – not sustainable.

Commodore called for questions.

**Terry Baker** queried how the Club might buy back 500 pens if there is no money. **Commodore** replied 'like eating an elephant'.

**Andrew Robinson** questioned the investment strategy and why a more aggressive direction has not be taken in the last couple of years. **RH** confirmed the Trustees manage the funds in the trust and investments have been made in line with their risk profile. Taking a slightly longer term view now that the Club has a 5 year Capex and repairs budget. Also confirmed the Club itself is holding \$6 million for maintenance work scheduled in the next couple of years. Over 3000 members in the club who are mostly conservative and need to protect funds not leave open to potential losses.

Moved: Trevor Richards    Seconded: Ron Watson    - CARRIED

## 5.2 VICE COMMODORE'S REPORT

VC thanked staff – all working very hard dealing with continued restrictions etc. Also thanked Board and Finance committee for doing so much to keep the Club on track. Outlined changes which have taken place to the Galley and bar – along with changes to catering for section events. Power section have already utilised new options. Provided an update the return of BBQs for general use and that the new budget has funds allocated to support the volunteer program. Changes to the Constitution are still a work in progress due to some additional policies and rule changes. Encouraged members to get involved in the reference group being conducted by RecFishWest relating to the new Westport Outer Harbour development. Information evenings will be coming up in the next couple of months and would be great to have input from as many members as possible.

A **member** asked when changes would made to F&B which just continues to lose money. When will it be privatised or outsourced? **VC** confirmed this is all being looked at now.

Moved: Paul Arns    Seconded: Greg Hancock    - CARRIED

## 5.3 REAR COMMODORE SAIL'S REPORT

Report taken as read.

Commodore called for questions - No questions

Moved: Paul Arns    Seconded: Greg Hancock    - CARRIED

## 5.4 REAR COMMODORE POWER'S REPORT

Report taken as read

Thanked bosuns for their great work – in particular the work undertaken recently on Airborne

Commodore called for questions - no questions

Moved: Paul Arns    Seconded: Greg Hancock    - CARRIED

## 5.5 REAR COMMODORE FISHING & DIVE REPORT

Report taken as read however clarified the Blue Marlin Classic was not cancelled but postponed. Commodore called for questions

Andrew Robinson questioned why Blue Marlin Classic didn't proceed as he claimed the budget for the event was healthy and commented that he as Vice Captain of the section was not consulted when decision was made.

RCAD confirmed the decision was taken as the event was likely to run at a loss at least \$10,000 and not happy do that.

Moved: Paul Arns

Seconded: Greg Hancock - CARRIED

## 5.6 TREASURER'S REPORT

Treasurer provided an update on current financial position of the Club an also and overview of the budget for the coming year which has not been provided to members before.

Highlighted expenditure is far higher than income and provided charts over the past 10 years detailing this trend across all business units.

The budget this year has been prepared to as close to break even as possible which includes an increase of the Bonafide to \$2.2 million.

Staff costs and repairs and maintenance have been the main increases as well as the large increase to the F Schedule last year.

Need to bridge the gap and that is why maintenance fees have been increased on a user pays basis along with the increase in membership fees to be voted on later in the meeting.

**Matt Duff** commented the Club doesn't understand maintenance.

**Mark Gubanyi** commented that F&B needs promoting and better service – needs a strategic plan.

**Alan Stein** confirmed that this planning is underway.

**Bill Burbidge** provided some background on the repairs undertaken to the Junior Clubhouse and was supportive of all the work that has been undertaken to date. Ongoing maintenance requires a lot of money. Gave example of the windows in the Ward Room being in very poor condition and like many of the assets had reached the end of their life and would need to be replaced.

**Clive Nielson** (via zoom) How do the proposed costs of maintaining the existing jetty infrastructure compare to the cost of replacement with floating jetties? **Bill Burbidge** responded that low tidal movements at FSC maybe didn't warrant floating jetties.

**Igor Vlasic** questioned when the future would finally arrive – when would things begin to happen? Commodore responded happening now.

**Bill Wreford** commented that the cost of maintenance was ridiculous and out of proportion, many people upset and concerned that those undertaking the work were not fully engaged with the Club and don't understand what they are doing. Said the DFES fire upgrade not necessary to the scope which will be delivered. **RCS** responded that the fire systems need to comply with the Australian Standard and that is what the Club will deliver.

**Terry Baker** raised concern that the increase in the annual rates levy was not in line with section 32(a) of the Constitution and that additional fees cannot be charged without approval from the members.

**Rob Halveson** commented that if the aim was to break even with 3000 members needing cover a funding gap of \$1.9 million then members would need to be paying an increase of approximately \$650 each per annum.

**Chris Hanson** commented that \$54 million has been set aside in the F schedule for jetties yet other Clubs are replacing with floaters from much less compared SOPYC and Fishing Boat harbour. He said if these numbers were applied at FSC the costs would be more in the range of \$20 million.

**Rod Mews** questioned how the calculations were made for the F schedule and if they take into account profits and CPI. Treasurer confirmed they did.

**Matt Duff** – made some more comments about working around the Club in the past.

Moved: Alan Stein                      Seconded: Greg Hancock                      - CARRIED

**ITEM 8                      SPECIAL BUSINESS**

**8.1**                      Budget Overview – covered in previous section.

**8.2                      APPROVAL OF EXPENDITURE OF AN ESTIMATED \$913,547 FOR VARIOUS MAINTENANCE AND CAPITAL WORKS**

Bill Burbidge moved that this maintenance and capital works be approved.

**Ken Baker** questioned what Saline Treatment which was included at an estimated cost of \$157,000. **Terry Baker, Alan Ledger and Matt Duff** all queried the same and wanted further details on all the costings and what the scope was. **Commodore** responded that unfortunately no representatives from maintenance were in attendance at the meeting.

Agreed to put motion to members without the \$157,000 for Saline Treatment.

RESOLUTION:

THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION, THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$756,547 FOR THE CLUB'S FINANCIAL YEAR ENDING 31 MARCH 2023, TO BE APPLIED IN PAYMENT OF THE FOLLOWING ESSENTIAL REMEDIAL MAINTENANCE WORKS RECOMMENDED, SET OUT IN THE FIVE-YEAR WORKS BUDGET, AND APPROVED BY THE BOARD ('THE AUTHORISED AMOUNT'):

Mooring Pile replacement	265,000
Concrete Headstock Refurbishment	140,000
Continuing finger jetty replacement	157,547
Headstock Denso wrapping	100,000
Replace concrete Headstock Brackets (Five-year program)	94,000
	756,547

Moved: Bill Burbidge                      Seconded Rob Peterson                      - CARRIED

**8.3                      APPROVAL OF EXPENDITURE OF AN ESTIMATED \$100,000 TO REPLACE THREE GEMINI RIBS**

**Bill Burbidge** provided an outline on the rationale behind replacing the ribs every three years based on ability to receive good changeover pricing.

**Ernie Delfos** questioned if the board has previously approved this expenditure, why don't they know the background and who is doing the due diligence on expenditure?

**Terry Baker** commented that he didn't know why this motion was being put to members.

**Andrew Robinson, Dale Lovett and Ken Baker** all made similar comments around why the ribs had to be replaced with such frequency.

MOTION WITHDRAWN

#### **8.4 Membership fee increase**

RH spoke around the rationale of how 10% fee increase was determined and the main objective to try and keep increases as low as possible. No CPI increase was made last year – no increases made for the past two years – confirmed the fee increase would be across all membership types.

RESOLUTION:

THAT PURSUANT TO CLAUSE 12(a) OF THE CONSTITUTION, THE MEMBERS APPROVE THE BOARD RECOMMENDATION TO THE ABOVE CPI INCREASE OF 10% TO MEMBERSHIP FEES FOR THE 2022/23 MEMBERSHIP YEAR.

Moved: Treasurer, Rob Hodby      Seconded: Commodore, Phil Hearse      - CARRIED

#### **ITEM 9 General Business**

##### **MEETING CLOSE**

Commodore apologised for not having all of the answers and thanked members for approving the increase to fees.

The Board will definitely consider all comments made by members at this evening and look at specific areas on the operation which are not operating as efficiently as they could be.

Commodore thanked member for attending and invited in person attendees to join him for refreshments.

Date of the next meeting: Annual General Meeting Tuesday 26 July 2022.

Meeting declared closed at 9.50pm.