

Minutes of Council Meeting – 12th February 2013

held at Victorian Croquet Centre, 65 Nobel Banks Drive, Cairnlea 3023

1. Attendance

1.1. Present:

1.1.1. **Committee of Management:** Mike Cohn (President), Kenn Boal (Vice president), Jim Clement (Secretary); Patrick Moore (Treasurer); Wilma Freeman, Gwen Hamilton, Graham Howie & Jim Saunders (Members).

1.1.2. **Regional Directors:** Brian Reither (Ballarat); Brian Foley (Bayside); Helen Worlidge (EMCA); Sue Colvin (Geelong); Ken Richardson (GVCA); Janet Richardson (MVCA); Anne Quinn (NEDCA); Margaret Crowder (SEMCA); Barb McKean (SWDCA); Shirley Hallinan (WMCMA); Kevin Geyer (Wimmera).

1.1.3. **Alternate Regional Directors:** Mary Vindin (EMCA); John Blackler (SEMCA); Wynford Connick (WMCMA)

1.1.4. **Observers:** David Ross (Ringwood & IAG)

1.2. Apologies: Penny Krstev (NDCA)

2. **Opening:** The President opened the meeting at 11:00 am welcoming Wilma Freeman and Mary Vindin to their first Council meeting, and congratulated Brian Reither on his receipt of the ACA Meritorious Service Award.

3. Minutes of Previous Meeting

3.1. Confirmation of Minutes of the Council Meeting held 11th December 2012:

Resolved that the minutes of the Council Meeting held 11th December 2012 be accepted.

4. Correspondence

4.1. In – 3 Dec 12 from Ross Buchanan Pty Ltd re financial reports
15 Dec 12 from Bill Keddie – resignation from all appointments
4 Jan 13 from Judy Evans (via email) – resignation as AC Selector
2 Feb 13 from Greg Fletcher – letter of complaint
7 Feb 13 from David Ross to individual directors re IAG (*this letter was not addressed to VCA nor was it forwarded via the Secretary*)

4.2 Out – 13 Dec 12 to SEMCA re October Council Meeting
13 Dec 12 to AC Selection Committee
22 Dec 12 to ACA Secretary re 2013 AGM
12 Jan 13 to Bill Keddie – acknowledgement of resignation
22 Jan 13 to Linda Brushfield – letter of offer
27 Jan 13 to Australia-Japan Foundation re grant application
28 Jan 13 to Ringwood CC – letter of thanks for donation
3 Feb 13 to Regional Secretaries re AGM

Resolved that the correspondence be accepted.

4.3. **Business Arising from Correspondence** – discussion of David Ross's letter which expressed his concern, as the sole member of the IAG, at the Treasurer's apparent disregard of the current policy and of the non-tabling or editing of his IAG reports to Council. The letter also expressed his concerns regarding certain parts of the draft IAG policy (to be considered at Item 6.1.4.1 of this meeting), as he had not been invited to comment on the draft. The Secretary advised that he had either attempted (unsuccessfully) to contact Mr Ross to discuss IAG reports which apparently exceeded the remit of the IAG or edited out those parts. The Treasurer pointed out the VCA By Laws require him to advise CoM & Council on all financial matters. He also stated that Clint Rippon of JB Were Ltd had advised that there was no confusion in his mind. David

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Ross was invited to speak to his letter, his points being considered by Council when the draft policy was considered later in the meeting, and in so doing endorsed JB Were as our investment manager and was supported by the Treasurer.

5. Reports

5.1. Treasurer's Report: The Treasurer spoke to his previously distributed report. It was resolved that the Treasurer's Report, less the Recommendations, which are dealt with below, be received. This report is attached at Annex A.

5.1.1. Resolved that the VCA work in conjunction with JB Were Ltd to develop an Investment Policy with our Advisors having full discretion.

5.1.2. Resolved that the Budget for 2013/14 be developed on a bi-monthly basis and that Financial Reporting to Council is done on a bi-monthly basis and to CoM on a monthly basis and not against budget.

5.1.3. Resolved that the VCA Administration Officer (currently Sandra Anne Kastanaras) be added to the approved list of signatories on the Bendigo Bank account and that three people are required approve payments via Internet Banking.

5.2. CoM Report: The minutes of the 8th January 2013 CoM Meeting were distributed to all Council members and posted to the VCA website on 10th January 2013.

5.3. IAG Report: David Ross was invited to speak to his previously distributed Investment Advisory Group report, which is attached at Annex B.

5.4. Marketing Committee: Brian Foley spoke to the previously distributed report by the Marketing Committee, which is attached at Annex C.

5.5. It was resolved to accept the IAG and Marketing reports, as distributed.

6. General Business

6.1. VCA Items.

6.1.1 Security at VCC: Jim Saunders reported on progress on security matters.

6.1.2 SRV Grants –

6.1.2.1 Future Directions Project Road Show Visits: The Secretary reported on Road Show visits that have been presented to seven regions, being Gippsland (eastern area), Geelong, SWCA, Wimmera, Ballarat, Bayside and SEMCA. Bookings are sought from regions that have not yet received visits.

6.1.2.2 Victorian More Active 2012-2015: Secretary advised that he had agreed with SRV that the terms of the grant be amended, with the aim of spending the remainder of FY2012-13 developing a detailed program, by an ad hoc group, for years 2 and 3 of the program.

6.1.2.3 Target 1000 2012-13: Resolved that Council accept the plan put forward by Adrian Masterman-Smith, State Coordinator of Coaching. Secretary to request that reaccreditation of current coaches also be looked at when visiting regional centres.

6.1.3 Job Description – Courts Director: Resolved that the job description of the Courts Director, as circulated, be accepted.

6.1.4 Policies:

6.1.4.1 Investment Advisory Group: The Secretary requested that members amend the circulated draft policy to conform with the terms of the minutes of the 8th January 2013 CoM Meeting, Item 6.1.3.2, explaining that he

had inadvertently distributed the incorrect draft with the meeting agenda. This amendment concerned the membership of the IAG. Resolved that the draft policy, as amended, be adopted

6.1.4.2 Selection Policy: Resolved that the draft selection policy not be adopted until after a final meeting of the working group. Further resolved that Kenn Boal assume chairmanship of the working group, with the aim of tabling a draft policy at the April Council meeting. The President thanked Graham Howie for his good work to date in chairing the working group.

6.1.5 Associations Incorporation Reform Act 2012: The Secretary reported that he had identified two areas in the VCA Constitution that required amendment to comply with the requirements of the *Associations Incorporation Reform Act 2012*, these being in the area of members' right of access to minutes, both of general and of committee meetings. He further advised that, at the direction of CoM, he was reformatting the VCA Constitution to follow the sequence of the Model Rules.

The Secretary advised that the address by PILCH regarding the responsibilities of office bearers under the Act would now be presented at the 9th April 2013 Council meeting and that Alternate Regional Directors are also welcome to attend that meeting.

6.1.6 Vicsport Good Governance Project: Fiona Kuilboer from Vicsport addressed the meeting, outlining the project.

7. Next Meetings –

7.1. COM – Tuesday, 12th March 2013 at 11 am

7.2. Council – Tuesday, 9th April 2013 at 11 am

8. Closure – The President closed the meeting at 3.09 pm.

Annexes:

A: Treasurer's Report

B: IAG Report

C: Marketing Committee Report

**Treasurer's Report
VCA February 2013 Council**

Part I Financial Report

Commentary

1. The surplus for the year to date amounted to just under \$90,000.
2. The operating Deficit, before taking into account our investment income from JB Were, amounted to \$30,963 compared with a budgeted deficit of \$63,433
3. This is a commendable effort and is due in most part to the fact that the operations of the VCC are about \$28,000 ahead of budget.
4. Thank goodness for catering where we have recently hired a permanent casual to help us with our work.

Annex A to
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VICTORIAN CROQUET ASSOCIATION INC				Year to Date	Year to Date
	BUDGET	BUDGET		31/01/2013	31/12/2012
	Full Year	Year to Date			
RECEIPTS					
Total VCA AFFILIATIONS	\$73,831	\$61,526		\$69,040	\$65,568
Total MERCHANDISE/PENNANT	\$4,000	\$3,333		\$2,206	\$2,085
Total TOURNAMENTS	\$11,000	\$9,167		\$10,470	\$8,402
Pennant Coaching	\$1,750	\$1,458			
Total MSV	\$4,000	\$3,333		\$4,631	\$4,631
Total CATERING	\$52,500	\$43,750		\$75,046	\$70,055
Total GRANTS/INTEREST	\$30,000	\$25,000		\$32,138	\$31,819
Contras				\$1,175	-\$9,333
Total INCOME	\$177,081	\$147,568		\$194,706	\$173,227
EXPENDITURE					
ADMINISTRATION VCA					
Total ADMINISTRATION VCA	\$67,700	\$56,417		\$52,478	\$46,081
Total COMMITTEES	\$10,000	\$8,333		\$3,138	\$2,721
Total MSV Total MSV	\$4,000	\$3,333		\$3,226	\$3,114
Total COUNCIL/COM				\$3,260	\$2,957
Total TOURNAMENTS	\$17,500	\$14,583		\$15,548	\$8,869
Total MERCHANDISE/PENNANT	\$19,000	\$15,833		\$9,393	\$9,393
Total VCC	\$105,000	\$87,500		\$70,307	\$66,107
Total CATERING	\$15,000	\$12,500		\$24,282	\$22,370
Total COURTS	\$45,000	\$37,500		\$44,035	\$38,395
Total EXPENSES	\$253,200	\$211,000		\$225,668	\$200,009
Operating Surplus (Deficit)	-\$76,119	-\$63,433		-\$30,962	-\$26,781
Gross Income from JB Were less provision for dimi	\$160,000	\$133,333		\$120,585	\$120,585
Net Profit/(Loss)	\$83,881	\$69,901		\$89,623	-\$3,696

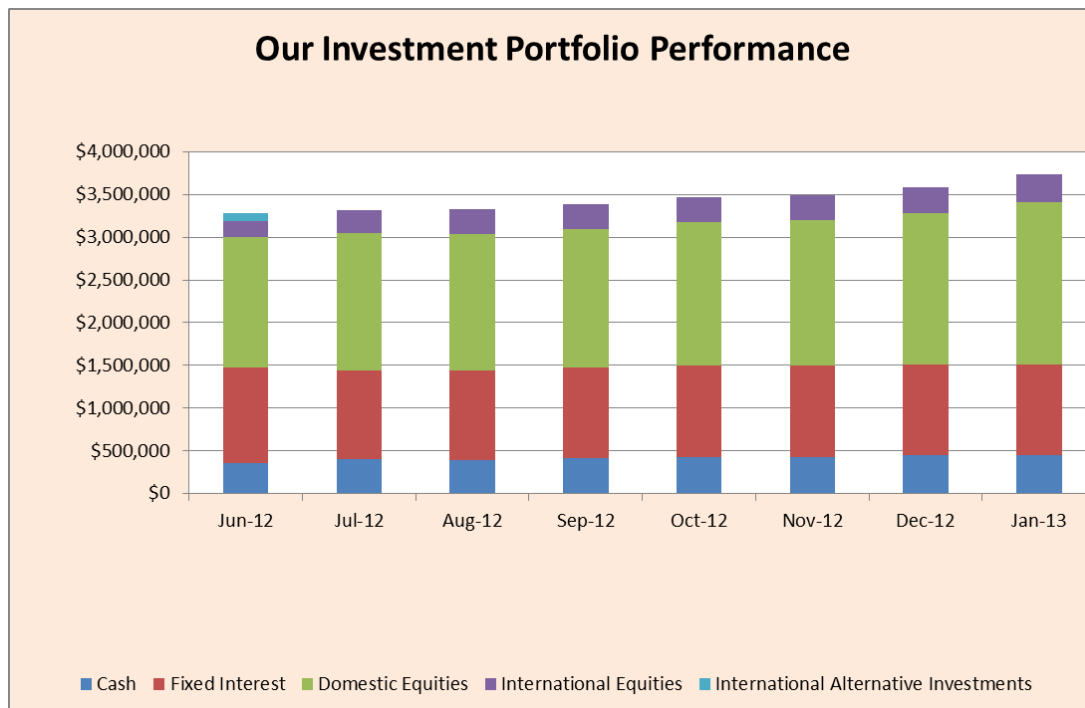
Victorian Croquet Association Inc.		
Balance Sheet		
As of January 2013		
1-0000	Assets	
1-0100	Current Assets	
1-1000	Bank Accounts	
1-1100	BA 1 - Operating	\$58,192.06
1-1120	BA 3 - Investments	\$65,142.96
1-1125	Bendigo Bank	\$300.00
	Total Bank Accounts	\$123,635.02
	Total Current Assets	\$123,635.02
1-1950	Withholding Credits	
1-2000	Accounts Receivable	\$5,297.25
	Total Withholding Credits	\$5,297.25
1-3000	Other Current Assets	
1-3100	GSJBW - Investment A/c	\$3,396,358.54
1-3200	Petty Cash Float	\$200.00
	Total Other Current Assets	\$3,396,558.54
1-4000	Fixed Assets	
1-4120	Cairnlea - Buildings	\$4,058,985.67
1-4125	Cairnlea - Land	\$1,231,368.55
1-4126	Water Tank	\$46,691.24
1-4200	Plant & Equipment	
1-4201	Plant and Equipment Combined	\$133,012.88
1-4295	Accumulated Depreciation	(\$78,162.48)
	Total Plant & Equipment	\$54,850.40
	Total Fixed Assets	\$5,391,895.86
	Total Assets	\$8,917,386.67
2-0000	Liabilities	
2-1000	Current Liabilities	
2-1100	Accounts Payable	\$36.26
	Total Current Liabilities	\$36.26
2-2000	Other Current Liabilities	
2-3000	Tax Payable	
2-3010	GST Collected	\$4,234.16
2-3030	GST Paid	(\$4,581.00)
2-3050	GST debit (Payable)	\$1,377.71
2-4000	Payroll Liabilities	\$3,768.00
2-4010	Superannuation Liabilities	\$663.26
	Total Tax Payable	\$5,462.13
	Total Liabilities	\$5,498.39
	Net Assets	\$8,911,888.28
3-0000	Equity	
3-1000	Reserves	
3-1100	General Reserve	\$7,703,572.44
3-8000	Retained Earnings	\$1,239,181.45
3-9000	Current Earnings	(\$30,865.61)
	Total Equity	\$8,911,888.28

Part II Investment Portfolio Performance and Management thereof

Again, our investment portfolio performed well and has risen by 14.0% since June 2012 and 4.3% in the month of January 2013. It is thus disappointing that Domestic Equities comprised only 46.6% of our investments as at June 30th 2012 as virtually all the gain in our portfolio came about because of our exposure to the equity market.

The Graph below sets out the value and structure of our portfolio; as does the table below that.

JB Were estimates that the income from this portfolio should be about \$175,000 in calendar 2013.



	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Value of Portfolio	\$3,280,031	\$3,318,057	\$3,322,637	\$3,387,203	\$3,471,103	\$3,495,120	\$3,583,214	\$3,737,778
Index of Performance	1.00	1.012	1.013	1.033	1.058	1.066	1.092	1.140
Investments	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Cash	\$359,519	\$399,205	\$396,033	413859	\$430,733	\$431,834	\$445,853	\$453,756
Fixed Interest	\$1,113,416	\$1,044,311	\$1,047,728	1060375	\$1,066,075	\$1,070,810	\$1,067,651	\$1,061,480
Domestic Equities	\$1,530,050	\$1,608,418	\$1,591,312	1619420	\$1,683,823	\$1,695,518	\$1,763,922	\$1,898,001
International Equities	\$185,290	\$266,123	\$287,564	293549	\$290,471	\$296,958	\$305,787	\$324,540
International Alternative Inve	\$91,756							

INVESTMENT ADVISORY GROUP
REPORT

1. JBWere Investment Portfolio:

Original \$3,000,000 Investment indexed for CPI: \$3,551,058 as at 30 June 2012.

Portfolio valuation as at 31 January 2013: \$3,737,777.63

This result means that the portfolio has performed excellently by any measure since the initial investment in 2005.

2. Draft IAG Policy document as circulated for the VCA Council Meeting 12th February 2013:

The Investment Advisory Group has not had any discussion or input into this draft.

When setting up the IAG, three members were chosen as this group. Decisions were not made on a voting majority basis, but rather continued discussion until consensus was reached. The addition of the VCA treasurer to this group as a non-voting member would not cut across this practice.

Questions to be asked:

(Secretarial Note: Small section deleted as not relevant when draft policy corrected.)

What is the definition of 'members shall have extensive experience in investment matters'?

Under 'Reporting':

The current situation is that the IAG reports the performance of the portfolio on a monthly basis. As the financial markets can undergo abrupt change, quarterly reporting would not be an advantage to VCA Directors.

Question:

Does 'making any necessary recommendations concerning the structure of the investment funds portfolio...' mean that changes to the mix (cash/equities/international etc) can only be made after a decision of CoM or VCA Council?

3. Investment Policy 11page document with the notation 'Last Updated October 2012'as circulated for the VCA Council Meeting October 2012:

Question: How does this relate to the draft IAG Policy document circulated for the 12 February 2013 VCA Council?

Marketing Committee Report

The Marketing Committee would like input from interested members to join this committee. An e mail to gallus@bigpond.net.au would be welcome. 2013 will be an inspiring and exciting year.

SENIOR'S WEEK. Sunday 6th Oct-Sunday 13th Oct

Attached is confirmation of our intended participation in this year's Seniors Week event. VCA was involved last year but it was a rushed preparation. 2013 needs and will be a coordinated promotion with this early advice to Directors and clubs. To this end we ask all Directors to advise successful Senior's events run by their respective clubs so these events can be built on and assist other clubs with ideas. Unfortunately we do not expect all clubs to be mentioned in the actual senior's program this year as we are advised space is of a premium already.

A proposal has been forwarded to our Treasurer for funds from this year's VCA budget for \$1000 per region to be used for the senior's marketing project. Additional funds for regions and clubs are available from the State Government and your local municipal councils to add to individual clubs meagre resources and VCA if our budget request is approved. VCA funding would be used on a \$ for Club \$ on Regional approved club projects to a maximum of \$1000 per region.

LIVING SOCIAL (L/S). VCA was advised some 119 vouchers were sold. We ask Directors to follow up their clubs to see if any club had visits and gained any new members. The sales we believe were predominantly metropolitan so please let us know of any visits and success or otherwise.

A lack of detail of the participation of Voucher at clubs has made the evaluation of this project difficult. We are in negotiations with a similar type of marketing firm with the clubs getting a share of the funds generated. Initial thinking for the promotion is for it to be held during April/May timeframe.

Clubs will be advised of details of the promotions through their Regional Directors and directly by e mail as planning proceeds. Last year's promotion was a hurried affair as Living Social drove the project before Clubs could be fully advised.

CLUB DEVELOPMENT

Marketing of Croquet is for the sole purpose of increasing membership. This can be by making the general public aware of our sport, aware a club exists locally, etc.

Many businesses seek to grow by means of additional marketing outlets, franchises etc. Our sport can do this by creating new clubs in more towns/suburbs in Victoria. From our knowledge of our existing clubs we know towns/suburbs with a population as small as 5000 or less can support a financially viable club.

The successful process for business/club development has been well documented over the years by a number of organisations. In brief the process can be to have a region

- 1/ assess what town/suburb fit a designated criteria
- 2/ appoint an adjoining club to act as a mentor for the proposed new club
- 3/ meet with regional sports assemblies and local government sports co-ordinators.
- 4/ seek a suitable playing area. This could be in conjunction with a tennis club/ bowls club/ cricket club etc.
- 5/ advertise a meeting within the town to assess interest

These are of course brief and simple notes. Does CV seek to develop a program of new club development? If so are any experienced members willing to take part in the preparation of an action plan. Coupled with this of course is a region willing to be involved.