



## **SRASA BOARD OF DIRECTORS MEETING**

**MEETING:** Board Meeting Monday 29 April 2013

**LOCATION:** 6pm, Racquets SA, 1303 South Road, St Marys

### **1 ATTENDANCE**

#### **1.1 Present:**

G. DeVizio (GD)                      L. Franzi (LF) (7pm) (5 June to 11 July away) M. Goldstone (MG)  
P. Stevens (PSt)

**Ex Officio:** P. Sinnott (PS) - General Manager

**1.2 Apologies:** S. Abishara (SAb)  
C. Johnstone (CJ)  
A. Proctor (AP)  
A. Ryan (AR)  
P. Teale (PT)

### **2. CONFIRMATION OF THE MINUTES**

Minutes of the meeting held on 18 March 2013 were confirmed by email as a true and accurate record (confirm via email).

*Moved: George DeVizio                      Seconded: Patrick Stevens                      Carried.*

### **3. ITEMS ON AGENDA (Reports Circulated Electronically Prior to Meeting)**

#### **3.1 2013 Racquetball Championships Strategy and Information Booklet (SA)**

Deferred to May.

#### **3.2 SRASA Strategic Plan Presentation (PS)**

PS/TV to forward Strategic Plan Presentation to Board for information. PS spoke on Strategic Plan timelines, with the new Strategic Plan to be endorsed at the 2013 AGM. Our future Facilities Strategy and the Racquets Review will be important considerations in the creation of the Strategic Plan. SA Government has recently released their simplified Strategic Plan with a number of key strategies, which Squash SA will look to align with.

PS spoke of the need for a Working Group to approach a Consultant to help drive the Strategic Planning process. CJ has already expressed interest in being a part of this, and PStevens expressed an interest at the Board Meeting. GD to review commitments. Meetings can be situated North to assist with attendance.

#### **4. GENERAL MANAGER'S REPORT**

##### **4.1 General Overview Report**

###### **4.1.1 OHS Report**

No OHS incidents or accidents to report.

###### **4.1.2 General Manager's Report**

###### **Matters Arising from the General Managers Report – March 2013**

###### **STRATEGY**

###### **Racquets SA - Voluntary Pre Commitment**

The State Government are aiming to accelerate the introduction of pre-commitment technology with a raft of reforms to gaming machine laws. These reforms, as announced by the Minister for Business Services and Consumers, John Rau, are ultimately designed to decrease the number of gaming machines and gaming venues in South Australia.

Under the proposed laws, from 1 July 2014, Pubs and Clubs can choose to become either a 'Major Venue' which will require tighter systems aimed at reducing problem gambling, or a 'Minor Venue' where gaming is incidental to food and beverage service.

From January 01, 2017 the following categories take effect for both Pubs and Clubs.

###### **Major Venues**

- Maximum of 60 machines
- Voluntary pre-commitment and automated risk monitoring
- Maximum bet of \$5 per spin (reduced from \$10)
- All Gaming machines to support on-screen messages
- Daily withdrawal limit of \$250
- Responsible gambling agreement required

###### **Minor Venues**

- Maximum of 20 machines
- Maximum bet of \$5 per spin (reduced from \$10)
- Must be closed between 2am and 10am
- Will not be permitted to have automated coin machines
- Daily withdrawal limit of \$250
- Will not be permitted to run loyalty schemes

Racquets SA currently holds a licence for 40 GMEs, which falls within the Major Venue Category, and will be required to fulfil the above regulations by 01 January 2017.

The challenge facing Racquets SA will be to ensure all Gaming Machines will have the technological capabilities to comply with both the pre-commitment and automated risk monitoring (via on-screen messaging or pop-up messages) that will be required to be introduced by 2017.

As it stands:

- 4x of Racquets 40x GMEs have the necessary technology to be compliant.
- Potentially 7x of Racquets GMEs will require software updates (depending on the technological requirements)
- This means that 29x (best case) of Racquets GMEs will require total replacement (36, worst case)

As an early observation, Racquets SA will be in a similar position as 40 Machine Clubs, in that we will be required to purchase a large number of new GMEs and software over the next 3 to 3 ½ years. This represents a significant capital outlay - on average the replacement cost is approximately \$20,000 per GME.

Pending the outcome of the BRM Holdich, Racquets SA Review, the Board and Finance and Risk Advisory Committee will need to consider how they might fund the replacement of GMEs.

Options may include:

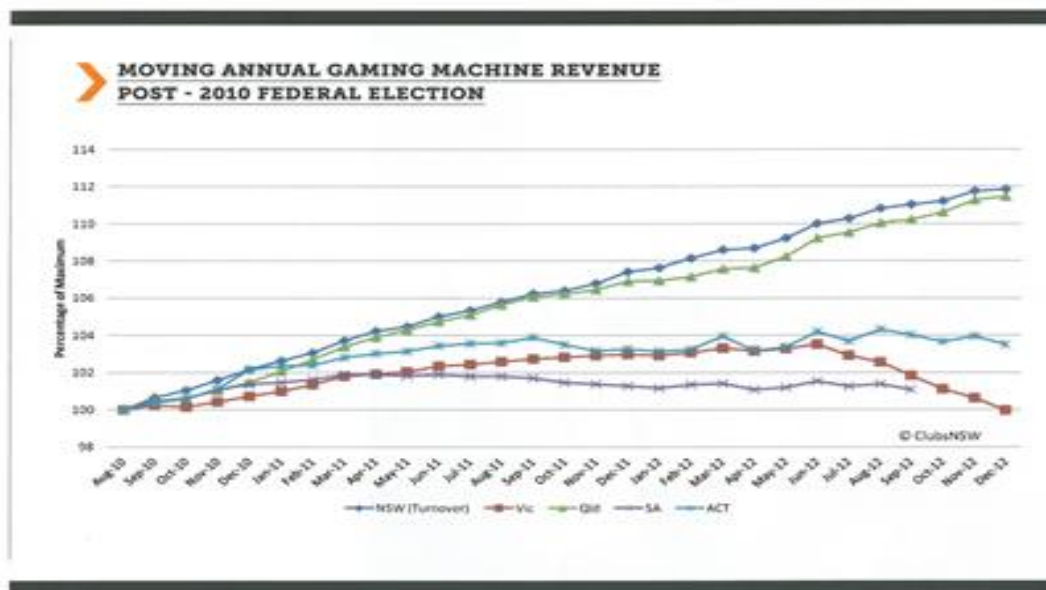
- Purchase GME in blocks. The GME manufacturers will offer discount on multiple machine purchases.
- Collaborate with other southern clubs (ie. Marion Sports & Community, Aussie Inn – Club One) to bulk purchase a large number of machines in one order. A substantial discount could be achieved through collective buying power.
- Trade existing machines to the second hand market. There are currently between 9 (and again, depending on the requirements) up to 15 of the current GMEs that could be traded on the second hand market.

The timing will be important when it comes to resale of second hand machines as their value for trade in is projected to drop rapidly over the next 3 years (note a trade in requires replacement of GME with a new Cabinet/GME).

The general industry view is:

- The Government has offered an inducement to the larger venues by increasing the maximum number of GMEs up to 60 per venue.
- Venues that operate between 30-40 GMEs will find it difficult to compete with the Major Venues that will operate 60 Machines.
- Minor Venues that operate 20 GMEs will largely become unsustainable.
- A combination of the current financial climate and new reforms will result in an overall reduction to the number of Gaming Machines and Gaming Venues within SA, as a majority of Clubs will not be able to afford a staged upgrade of GMEs.

## SA Gaming Industry



The above graph represents National Gaming performance and trends, reflecting the dip in revenue which has occurred in Victoria. This was a direct result of the introduction of legislation to limit the number of ATM withdrawals. This represents only one of the reforms that the Government will introduce over the next 3 years.

The information and its relevance to the Racquets Review will be provided to BRM Holdich, the Finance and Risk Advisory Committee and the Board, for consideration as we embark on the review of Racquets, a new strategic plan, and future budgets.

The next Finance Meeting is scheduled for 10 May 2013.

### Office for Recreation and Sport Strategic Plan.

In April 2013, the Office for Recreation and Sport, (ORS) released the 2013-2015 Strategic Plan. The plan articulates the government's strategic priorities in response to a thorough industry and community engagement process that was undertaken during the 2012 ORS Grants Review. The plan outlines support for national alignment with National Sporting Organisations and Active Recreation Policy Framework, the National High Performance Strategy, the DPTI Strategic Plan, and the State Strategic Plan Targets, including T83 Sport and Recreation: Increase the proportion of South Australians participating in sport or physical recreation at least once per week to 50% by 2020.

The ORS Strategic Plan sets some ambitious goals for the next four years, relevant to Squash SA including:

- The implementation of Industry Advisor roles to support and advise our sector partners to ensure we create real community benefit from targeted and performance based SA Government investment in the sector.

- A targeted funding and athlete services approach towards Olympic, Paralympic and Commonwealth Games sports and prospective world class athletes consistent with the National High Performance policy and strategy.
- Deliver world class high performance sport services and facilities.
- Delivery of sport and active recreation facility projects with a focus on the development of sports hubs to ensure better planned, multi-use, sustainable facilities in the community, as well as major sports facilities for state, national and international competitions.

A copy of the ORS Strategic Plan 2013-15 will be distributed at the Board Meeting.

#### GME Trading Round

In the June 2012 and December 2012 Department of Treasury Trading Rounds, S.R.A.S.A nominated (2) Gaming Machine Entitlements. Neither of the Gaming Machine Entitlements were sold in either of the trade rounds.

The third GME trading round will be held on 13 June 2013. GME trade nominations (sell price) must be lodged by 09 May 2013.

It is recommended that Board postpone placing any GMEs in the third trading Round, or until such time that the BRM Holdich Racquets Review has been completed and the report is considered by the Board.



## FACILITIES

### Racquets Patron Visitation and Popularity

Racquets SA manually collects data to track attendance and assess activity popularity trends as detailed in the table below:

### Racquets SA Popularity Snapshot for the Month of March 2013

March 2013	01-03 Mar	04-10 Mar	11-17 Mar	18-24 Mar	25-31 Mar	Month Total	Comment
Foot Traffic Counter	706	1306	1382	1640	1486	6520	
Happy Hour attendance	86	142	94	126		448	Happy Hour attendance increased due to Platinum Member draw jackpotting to over \$1,200.
Electrical Raffle Attendance		64 (358)		72 (362)		136	Electrical raffle run fortnightly (Ticket Sales). Higher attendance for Wednesday Happy Hour due to member's Jackpot.
Darts Attendance		18		22		40	
8 Ball Attendance		34	22	18	16	90	Variance due to number of home teams
Function Attendance	16	48	140	240	40	484	RAAF Air Crew – 20 80 <sup>th</sup> Birthday - 75 Rock'n'Roll - 78 Hallet Cove Probus Luncheon – 32 Plympton Cricket Presentations - 60

## SERVICES

### Ingle Farm Squash

The Ingle Farm Squash Focus Centre, based at the Ingle Farm Recreation Centre is now established. Grant Norman is based at the Centre and over the next 12 months will introduce:

- Establish a Pro Shop and Administrator at Ingle Farm
- Host the 2013 SA Open
- An after-school junior squash program
- An in-house practice and play program
- A basic club structure with several pennant teams
- 2014 High School Competition.

The Focus Centre will also pilot the Squash SA programs of:

- 5 for 10 (Women's Development / Active Aging)
- Hits and Giggles (Women's Development)
- Holiday and vacation care programs in the school holidays (I.F. Rec Centre)

Ingle Farm Squash will run independently to Squash SA, (i.e. Grant Norman is not an employee of Squash SA) however to ensure the Focus Centre works in close alignment and partnership with Squash SA .



*Ingle Farm Squash - Pro Shop and Office*





*Ingle Farm Squash Courts – Tin*

### South Australian Open

The SA Open main draw will be held at Ingle Farm Squash Centre, with the finals to be held at Revive Fitness Centre. The tournament has attracted a full draw - 56 Men and 39 Women.

### Barossa Valley Toyota Open

The Barossa Valley Toyota Open main draw will be held at the Rex, Barossa Centre. The tournament has attracted a full draw - 56 Men and 39 Women.

### 2013 Australian Junior Championships

The State Team Officials positions have been called for. The following candidates have been received and are supported by the Junior Coordination Committee:

<i>State Coach</i>	James Rogers	<i>Cooks</i>	Karen Burnard Karen Cope
<i>Assistant Coach</i>	Mike Corren	<i>Team Manager</i>	Katrina Jones

## **COMMUNICATION**

Affiliated Clubs and Life Members were informed in writing that work has commenced to review the operation and determine the best approach for the ongoing management of Racquets SA.

There have been no queries raised by Affiliated Clubs or Life Members with the General Manager.

## **GOVERNANCE AND ADMINISTRATION**

### Racquets SA Risk Management Plan

The General Code of Practice requires all licenced Clubs to undertake a Risk Assessment and develop a written Management Plan by 18 April, 2013. The General Manager and Club Manager have prepared a Management Plan in conjunction with resources prepared by Clubs SA.

The Management Plan is attached for Board approval under Agenda Item 8, Policy.



#### Occupation Health Safety and Welfare

On 14 February 2013, Racquets SA Assistant Manager, Functions Co-ordinator was diagnosed with Bi-lateral Carpal Tunnel Syndrome. A work cover claim was lodged by the employee and has been accepted. The staff member has been performing up to 5 hours, 3 day per week modified duties. The GM and Club Manager will determine a Return to Work program in consultation with the RTW Case Management Group, Gallagher Bassett.

#### IMG Online Player Payment Program

Squash SA introduced a new online payment system two seasons ago by piloting the IMG system to collect player registration and tournament entry fees.

The online payment system has two significant down falls

- Ongoing administration of database and manual follow up of player payments
- Limited control over cash flow (income).

A recent survey to Clubs has collected feedback that suggests the IMG system may not be the preferred system to collect pennant registration fees.

The findings of the survey are as follows:

- A total of 9 responses were received
- 50% of respondents prefer an invoice to the club for total Squash SA fees, 38% prefer the IMG system, and 12% would choose an invoice sent directly to each player
- Only 1 respondent did not think IMG should be used for event/tournament registration, stating that the expense did not match the benefit (cash or credit on the day works well)
- Most responses received for 'Pros' of the IMG system were for 'access to current database'
- Most responses received for 'Cons' of the IMG system were for 'complicated for players'

Overall, while some feedback shows that removing IMG would be considered a step backwards, the majority of the responses show that using IMG for player registration is not ideal. While some clubs appreciate not having to chase players for fees, or carry a liability for outstanding fees, players complain about making two separate payments (one to Squash SA and one to their club), and there is a view that the IMG system places Squash SA between clubs and players.

It is recommended that IMG system remain in place for tournament and event registration, however, as not all clubs chose to use the system for player registration (a large portion do not use IMG at all), that this IMG system be discontinued for Pennant player registration and a new system be introduced that is consistent for all players, clubs and Squash SA administration by the next pennant season.



#### Member Satisfaction Survey

Squash SA has embarked on a member satisfaction survey in partnership with the Office for Sport and Recreation, coordinated by Leaderskill Group. The survey was released to stakeholders in late March, with a completion date extended to Friday 26<sup>th</sup> April. At this stage, 33% of stakeholders have completed the survey. There is still a portion that have started the survey, but not yet completed all questions.

Survey results will be issued from the Office for Recreation and Sport.



Executive Report: March 2013 Financials  
Racquets SA

Racquets SA SUMMARY NET PROFIT / (LOSS)	Month March	Month March		Year to date March 2012/13	Year to date March 2012/13	Annual EOY Budget Projection	
	Actual	Budget	<u>Variation</u>	Actual	Budget	Budget	<u>Comment</u>
Admin	(22,035)	(13,940)	(8,095)	(142,113)	(133,624)	(173,652)	Variation of \$8,000 expenditure is due to the non-budgeted items of legal fees and interest(Car park)
Bar	4,975	5,088	(113)	44,652	45,432	60,696	Performing to Budget
Bar Catering	97	100	(3)	1,134	900	1,200	Performing to Budget
Gaming	53,860	73,335	(19,475)	599,597	632,660	841,352	Gaming net income is \$32,000 below budget projections. The State-wide Gaming trends show a 10% to 15% decline in gaming turnover. Racquets turnover is 4.5% down on budget.
Kitchen	(8,319)	(4,510)	(3,809)	(35,085)	(31,335)	(41,780)	Variation of \$3,800 is due to the requirement to re-paint and replace kitchen lighting to comply with a Health Inspection / Audit.
NET PROFIT	28,578	39,073	(10,495)	468,185	514,033	687,816	Shortfall is directly attributed to the Gaming performance. State wide gaming trends indicate that Gaming turnover will continue to decrease. The flow on effect to Racquets will be a projected EOY result of \$625,000. (\$60,000 under budget)



Executive Report: March 2013 Financials  
Squash SA

Squash SA SUMMARY NET PROFIT / (LOSS)	Month March	Year to date March 2012/13	Year to date March 2012/13	Year to date	Annual EOY Budget Projection	
	Actual	Actual	Budget	<u>Variation</u>	Budget	<u>Comment</u>
Admin	(23,895)	(259,969)	(213,939)	(46,030)	(278,469)	<p>The main variations to budgeted expenditure includes:</p> <ul style="list-style-type: none"> <li>- Depreciation up \$16,000 (vehicle schedule)</li> <li>- Depreciation of Glass Court \$25,000 (requested at 2012 AGM)</li> <li>- Function (Gala pre-paid deposit) \$3,500</li> <li>- Computer Expenses \$3,500 (replace server)</li> <li>- Telephone \$2,000</li> <li>- Wages \$4,000</li> <li>- Light and power \$3,500</li> <li>- Printing &amp; Stationary \$2,000</li> </ul> <p>The two unbudgeted depreciation items totalling \$41,000 are book figures only (not cash expenditure). Therefore the actual cash expenditure YTD totals a \$5,000 variation to budget, which is manageable.</p>
Member Services	(218)	(18,858)	(38,450)	18,050	(37,450)	YTD budget expenditure down by \$20,000. Pre-committed expenditure for the PAOC and West Adelaide FEG Grants total \$15,000 to be paid in the coming months.
Pathways	(10,315)	(120,461)	(126,750)	6,290	171,050	Net operating costs are \$6,000 under budget.



(cont...)

Squash SA SUMMARY NET PROFIT / (LOSS)	Month March	Year to date March 2012/13	Year to date March 2012/13	Year to date	Annual EOY Budget Projection	
	Actual	Actual	Budget	Variation	Budget	Comment
Racquetball	388	(2,761)	3,700	6,460	1,900	Projected income YTD is \$9,000 however actual payments received totals \$5,000. (i.e. \$4,000 RB fees remain outstanding. A fee collection program is in place to chase outstanding payments
Regional Dev.	(3,495)	(19,354)	(10,540)	8,814	(4,185)	Expenses up \$8,814 (DO salary). 11 consecutive weeks of school bookings commence April.
Senior Tourn.	13,000	19,073	2,500	16,500	2,500	Income YTD sponsorship of tournaments. Tournament expenses will occur in the month of June.
TOTAL	(19,435)	(420,209)	(372,109)	48,100	(483,304)	YTD \$48,000 over budget. By factoring in the two unbudgeted items (depreciation \$41,000 and insurance \$15,000) would show Squash operating to budget. The financial reports however show until the 2 <sup>nd</sup> quarter budget is ratified by the Finance Committee. It is expected that Squash SA will meet budget by the end of the financial year.

#### Cash Flow Position

The General Manager and Finance Director, Philip Teale, have investigated the option of taking out an overdraft to address the short term cash flow issues. The short term cash flow bottleneck is mostly attributed to slowed income pennant fees (\$20,000), Squash Australia debts (\$10,000) and the Gaming Net profits being down year to date. A collection strategy has been put into place and will be discussed under Agenda item 5, Finance.

The cash flow position was presented to the Board.

## **INFORMATION THAT IS WORTH SHARING**

### Squash Australia Performance Pathway Funding.

- The Squash Australia HP funding allocation for 2013/14 is \$920,000
- This is an effective reduction against current year of \$150k based on ASC grant \$637,600 and AIS budget of \$433,895.
- There will be 'transitional funding' of \$75k, so effectively this can be considered in addition to the \$920k.
- The funds in 2013/14 will allow for the AIS program being in place until end 2013. i.e. 50% of \$434k i.e. \$217 will be held by the AIS to spend directly with the balance issued to SA. From 1<sup>st</sup> Jan 2014 the full allocation will be granted to SA.
- Participation funding for 2013/14 is unchanged as this aspect has not been reviewed, this to occur in the next cycle.

The ACGA & ASC have advised a new DAS program, which may take up further payments to athletes and provide some relief to the impact of the new funding arrangements.

## **RECENT GLORIOUS SUCCESS**

In 2010 Squash SA distributed Squash SA badges to all Pennant Players as a strategy to establish the Squash SA brand and align our identity / partnership with Club uniforms and in the pennant competition environment. The badge program was short lived, however it is encouraging to see Clubs such as Campbelltown, Clare and Ingle Farm taking the initiative a step further by approaching Squash SA to incorporate the Associations brand in their Club uniform design.

## **5. FINANCE (Reports Circulated Electronically)**

### **5.1 Bank Statement and Cash Flow Position (PT)**

### **5.2 Income Statements Squash SA and Racquets SA**

*The Financial Statements were Accepted and Noted.*

*Moved: George DeVizio*

*Seconded: Patrick Stevens*

*Carried.*

## **6. GENERAL BUSINESS**

## **7. ITEMS FOR INFORMATION**

### **7.1 Gala Dinner Update (PS)**

PS updated the Board on Gala Dinner proceedings, Awards format, and entertainment. PS spoke that players are expressing excitement around this event. The official presentation to the SA Open winners will be held at the Gala Dinner, and all SA Open Tournament players will be in attendance.

## 7.2 Premier League Format (SCAC – GD)

The Senior Coordination and Advisory Committee meeting was recently held, with the main discussions being about the proposed Premier League format. After discussions and feedback from current Premier League players, it was decided not to proceed with trialling the new format/concept. 2013 Spring Pennant will continue with the traditional home/away style competition.

The Board suggested looking into a new style competition in conjunction with pennant. A 'whistle comp' with handicap system was suggested with a 2 hour turnaround on a night. Patrick to attend the next Senior Advisory Committee meeting to discuss this idea further.

Karadinga is in the process of trying to organise a Tournament with sponsorship. PSinnott to forward PStevens draft sponsorship proposals, and information on Squash SA e-newsletter/website reach and PSA/WSA tournament requirements.

## 8. **POLICY**

Racquets SA Management Plan  
(Approval via email)

## 9. **CORRESPONDENCE**

### In

- 9.1 Senior Coordination Advisory Committee Minutes  
Board to note Minutes. Patrick Stevens to join the Senior Coordination Advisory Committee

### Out

- 9.2 Racquets Review Information Memo  
No official feedback was received by the GM from this. The first report on the Review is due to Squash SA by mid May. A representative from BRM Holdich to attend June Board Meeting
- 9.3 ORS - Funding Application \$3,500 (for 2014 Australian Racquetball Championships)
- 9.4 SA Tourism – Funding Application \$5,000 (for 2014 Australian Racquetball Championships)
- 9.5 Barossa Council – Funding Application \$2,500 (for 2014 Australian Racquetball Championships)

## 10. **SQUASH AUSTRALIA**

### **10.1 Squash Australia Annual General Meeting and National Conference**

PS, CJ and MG attended the Squash Australia AGM and Workshop. Healthy discussions and recommendations were made, but undocumented by the Facilitator. PS and CJ attended the AGM, with debate about the President's Report. Membership asked for this to be rewritten. Vicki Cardwell presented well and was voted onto Board. Steve Bowen was also voted onto the Board. Board structure needs revising. Squash SA have asked Squash Australia to defer President's Meeting as MG will be unavailable to attend the proposed June date.

Great leadership at State Association Level throughout Australia.



**11. NEW BUSINESS**

No new business to minute.

**12. CONFIDENTIAL ITEMS (IN CAMERA)**

**13. BOARD DIARY**

Next Meeting: 6pm Monday 29<sup>th</sup> May 2013, at Racquets SA – 1303 South Road, St Marys. PT to chair. PS, MG and LF to meet up prior to their annual leave to discuss Facilities.

**14. CLOSE MEETING**

Meeting closed at 7.30pm.