

15TH AUGUST, 1990.

REPORT ON COACHING AND MANAGEMENT OF
ASSOCIATION'S COMPLEX.

AT THE COMMITTEE MEETING HELD ON WEDNESDAY, 15TH AUGUST, 1990 DISCUSSION TOOK PLACE WHICH COVERED ARRANGEMENTS WITH COACHING RIGHTS ON THE COURTS AND THE GENERAL ADMINISTRATION AND MAINTENANCE OF THE VAUGHAN PARK TENNIS FACILITY.

1. CONCERN WAS EXPRESSED THAT THE FULL POTENTIAL OF THE COMPLEX AND ASSOCIATION WAS NOT BEING REALIZED. BOTH FROM A TENNIS COACHING BUSINESS POINT OF VIEW AND THE FACT THAT THE RUNNING OF THE TENNIS COURTS WAS BEING STRONGLY SUBSIDIZED BY "ASSOCIATION" MONEY WHICH SHOULD BE DIRECTED TO THE PROMOTION AND DEVELOPMENT OF TENNIS IN THE GOSFORD AREA. AFTER DISCUSSION THE MEETING AGREED THAT COURTS SHOULD PAY THEIR OWN WAY AND INCOME RECEIVED FROM PLAYERS AND TEAM REGISTRATIONS ETC SHOULD BE DIRECTED STRONGLY TO PROMOTION AND DEVELOPMENT.

A SUB-COMMITTEE OF M. BLUE, A. RAYMOND, D. STIMSON AND M. VAUGHAN WAS FORMED AND WAS ASKED TO MEET AND DEVELOP RECOMMENDATIONS FOR CONSIDERATION AT THE NEXT COMMITTEE MEETING REGARDING COACHING ARRANGEMENTS AND ADMINISTRATION AND MAINTENANCE OF THE COURTS.

SUB COMMITTEE

THE SUB-COMMITTEE MET ON TWO OCCASIONS
THURS. 2/8 (A. RAYMOND ABSENT) AND THURS 9/8.

2. IT WAS WELL RECOGNISED BY THIS SUB-COMMITTEE
THAT OVER THE PAST NUMBER OF YEARS THE MATTERS
HAD BEEN ADDRESSED BY THE GENERAL COMMITTEE AND
ACTION HAD BEEN TAKEN WHICH HAD BEEN ~~BE~~ TO
THE BENEFIT OF THE ASSOCIATION. THE SUB-COMMITTEE
WAS ALSO WELL AWARE OF THE HIGH STANDARD OF
PRESENTATION OF VAUGHAN PARK.

FROM THE INFORMATION AVAILABLE THE
SUB-COMMITTEE FELT THAT PROBABLY THERE WAS
NOW SCOPE / NEED TO TAKE FURTHER ACTION.

3. ATTACHED ARE A NUMBER OF FINANCIAL STATEMENTS
WHICH HAVE BEEN PRODUCED FROM FINANCIAL STATEMENTS
PRESENTED AT ANNUAL GENERAL MEETINGS AND
GENERAL COMMITTEE MEETINGS. THESE STATEMENTS ADOPT
THE PRINCIPLE THAT EXPENSES (REVENUE + CAPITAL)
INCURRED IN ANY ONE PERIOD ARE WRITTEN OFF IN THAT
PERIOD.

THE REDRAFTED STATEMENTS SHOW:

<u>YEAR 1987/88</u>	COURTS	DEFICIT	44860
	ASSOCIATION	SURPLUS	40265
	<u>NET DEFICIT</u>		<u><u>\$ 4595</u></u>

<u>YEAR 1988/89</u>	COURTS	DEFICIT	44366
	ASSOCIATION	SURPLUS	38111
	<u>NET DEFICIT</u>		<u><u>\$ 6255</u></u>

<u>YEAR TO DATE '90</u>	COURTS	DEFICIT	26777
	ASSOCIATION	SURPLUS	28783
	<u>NET SURPLUS</u>		<u>\$8006</u>

SOME CAPITAL ITEMS INCURRED IN 1988 AND 1989 HAVE NOT BEEN INCLUDED. THEY WOULD MAKE THE RESULTS FOR THOSE YEARS WORSE.

4. COURT HIRE CHARGES.

IN DISCUSSING THE RESULTS THE SUB-COMMITTEE CONCLUDED THAT OUR COURT HIRE CHARGES WERE REASONABLE AND DID NOT HAVE ROOM AT THIS STAGE FOR INCREASE.

THE SUB-COMMITTEE DETERMINED THAT OUR MAJOR DRAIN ON RESOURCES WAS THROUGH OUR LEVEL OF EXPENSE, IN PARTICULAR WAGES PAID FOR CARTAKING.

5. SURVEY OF COURT HIRE RECEIPTS.

A SURVEY OF COURT HIRE RECEIPTS HAS BEEN CARRIED OUT OVER THE PAST FIVE MONTHS WITH THE FOLLOWING BEING SHOWN.

1. 10 RAINY DAYS OUT OF 153
 2. 12 COMPLETE WASHOUTS (NIL RECEIPTS)
 3. 8 PARTIAL WASHOUTS (LESS THAN \$50 REC'D)
 4. DAILY BREAKDOWN OF DAYS WITH LESS THAN \$100 REC'D. (\$100 IS ESTIMATE OF DAILY WAGES)
- | | | | | |
|-----------|----|--------|----|----------------------------|
| SUNDAYS | 17 | OUT OF | 22 | (JUNIOR COMP NOT INCLUDED) |
| MONDAYS | 16 | OUT OF | 22 | |
| TUESDAY | 5 | OUT OF | 22 | |
| WEDNESDAY | 7 | OUT OF | 21 | |
| THURSDAY | 5 | OUT OF | 21 | |
| FRIDAY | 16 | OUT OF | 22 | |
| SATURDAY | 3 | OUT OF | 22 | |

THIS SHOWS THE NUMBER OF DAYS OVER THE PAST 5 MONTHS WHEN WE HAVE NOT GENERATED SUFFICIENT TO COVER THE WAGES COST OF CARETAKING.

u

THE SUBCOMMITTEE DISCUSSED THE TWO AREAS OF CONCERN :

- 1. REVENUE
- 1. COACHING LEASE ARRANGEMENTS.
- 2. BREAK-EVEN / SURPLUS FROM COURTS.

6.

COACHING LEASE ARRANGEMENTS.

IT WAS FELT THAT A REAL BUSINESS OPPORTUNITY EXISTED AND THAT AT THE MOMENT IT WAS NOT BEING FULLY DEVELOPED AND CAPITALIZED UPON.

MATTERS DISCUSSED (IN NO REAL ORDER)

a * THE ASSOCIATION IS ENTITLED TO AN UPFRONT PAYMENT FOR THE BUSINESS OPPORTUNITY EVEN THIE A NEW LEASE/CONTRACT IS NEGOTIATED.

b * THE ASSOCIATION SHOULD REQUIRE THE SHOP TO BE OPEN FOR A MINIMUM SPECIFIED HOURS 7 DAYS PER WEEK. THE SUBCOMMITTEE BELIEVED THAT THE LESSEE WOULD PROBABLY LOOK TO OPENING FOR AS LONG AS POSSIBLE.

c * COACH WOULD HAVE EXCLUSIVE RIGHTS TO COACH ON ENTIRE COMPLEX. (I.E TOP AND BOTTOM COURTS)

d * SHOP WOULD NEED TO BE PROFESSIONALLY PRESENTED AND RUN.

e * COACH WOULD HAVE THE SALE OF TENNIS BALLS THIS ALONE GOES A LONG WAY TO COVERING PROPOSED SHOP RENTAL COSTS. (SEE LATER)

f * SHOP WOULD BE MANNED BY COACH AND HIS EMPLOYEES.

g * TELEPHONE WOULD BE SITUATED IN PRO SHOP. PRO TO HAVE HIS OWN PHONE WITH SEPARATE LINE,

ASSOCIATION PHONE WOULD ALSO BE LOCATED IN PRO SHOP BUT WOULD BE EQUIPPED WITH A KEYLOCK DEVICE SO THAT INCOMING CALLS ONLY ^{COULD} BE RECEIVED. IF COACH MAKES ANY CALLS ON BEHALF OF ASSOCIATION, HE LISTS DETAILS AND IS COMPENSATED.

h * SHOP RENTAL TO BE PAID BY COACH.

i * COACH WILL PAY ALL COSTS TO DO WITH LEASE

j * COACH WOULD NEED TO HEAVILY PROMOTE HIMSELF AND HIS SERVICES.

k * COACH WOULD BE ALLOCATED THE EXCLUSIVE USE OF 2 COURTS (WHEN NOT REQUIRED FOR COMPETITION)

l * COACH WOULD BE REQUIRED TO CARRY OUT CERTAIN DUTIES ON BEHALF OF ASSOCIATION.

1. COLLECT COURT HIRE

2. TAKE BOOKINGS FOR COURTS.

3. COLLECT REGISTRATION FEES.

4. POLICE COURTS.

5. ORGANISE NIGHT COMPS. ETC

6. GENERAL ENQUIRIES

7. ARRANGE SMALL DAY TO DAY REPAIRS.

THE SUBCOMMITTEE BELIEVED THAT THIS WOULD BE OF BENEFIT TO COACH BECAUSE IT WOULD GENERATE SOME TRAFFIC THROUGH SHOP.

*

COACH'S PAYMENTS / FINANCIAL ARRANGEMENTS.

(i) UPFRONT FEE FOR BUSINESS OPPORTUNITY \$5000 - \$10,000 ANTICIPATED.

(ii) SHOP RENTAL \$120/WEEK I.E. \$6240 p.a.

(iii) COACH IS ALLOCATED TWO COURTS FOR HIS EXCLUSIVE USE \$50/WEEK. I.E. \$2600 p.a.

(iv) ADDITIONAL COURTS TO BE HIRED AT PEAK COACHING PERIODS. PAYMENT IS 50% OF CASUAL HIRING

RATE. CURRENTLY $\$7.50 \times 50\% = \3.75 PER HOUR.

ADDITIONAL COURTS ARE DETERMINED BY COACH WHO ADVISES GOTA OF HIS REQUIREMENTS. WHEN KNOWN COACH PAYS HIRE WEEKLY.

E.G. USE OF 2 COURTS	\$50
4 ADDITIONAL COURTS SAT. (8-11)	\$45
2 ADDITIONAL COURTS EACH DAY (3HRS)	\$112.50
<u>WEEKLY COURT HIRE TO BE PAID.</u>	<u>\$207.50.</u>

IT IS UNDERSTOOD THAT COACH WOULD NEED TO BUILD HIS BUSINESS OVER A PERIOD AND PERHAPS HE WOULD REQUIRE THE USE ONLY OF THE TWO ALLOCATED COURTS IN THE EARLY STAGES.

* COACH COLLECTS HIRE ON BEHALF OF ASSOCIATION AND IS PAID A SCHEDULED COMMISSION.

1st \$50,000	NIL.
\$50 - 60,000	10%
\$60 - 70,000	15%
\$70 - 80,000	20%
\$80 - 90,000	25%
\$90,000 PLUS	30%.

THE SUBCOMMITTEE BELIEVES THAT THIS WOULD ENCOURAGE COACH TO BE DILIGENT IN COLLECTION AND WOULD ALSO ENCOURAGE SOME ENTREPRENEURIAL ACTION TO FILL QUIET TIMES.

FINANCIAL PROTECTION OF INCOME TO ASSOCIATION THROUGH COACHING CONTRACTS / LEASE.

YEAR 1.

UPFRONT PAYMENT		\$ 7500												
2 ALLOCATED COURTS		\$ 2600												
3 ADD. COURTS SATURDAY (3HRS/4WKS)		\$ 1350.												
1 ADD. COURT EACH AFTERNOON (3HRS/4WKS)		\$ 2250												
SHOP RENTAL		\$ 6240												
		<u>20190.</u>												
COURT HIRE \$75000	<table border="0"> <tr> <td>50,000</td> <td>NIL</td> <td></td> </tr> <tr> <td>50-60</td> <td>10%</td> <td>1000</td> </tr> <tr> <td>60-70</td> <td>15%</td> <td>1500</td> </tr> <tr> <td>70-75</td> <td>20%</td> <td>1000</td> </tr> </table>	50,000	NIL		50-60	10%	1000	60-70	15%	1500	70-75	20%	1000	3500.
50,000	NIL													
50-60	10%	1000												
60-70	15%	1500												
70-75	20%	1000												
<u>NET TO ASSOCIATION</u>		<u>\$ 16690</u>												

YEAR 2.
(+ 8% CPI)

2 ALLOCATED COURTS		2808															
4 ADD. COURTS SATURDAY (3HRS/4WKS)		1911															
1 ADD COURT EACH AFTERNOON (3HRS/4WKS)		2430															
SHOP RENTAL.		6739.															
		<u>14191.</u>															
COURT HIRE \$81000	<table border="0"> <tr> <td>50,000</td> <td>NIL</td> <td></td> </tr> <tr> <td>50-60</td> <td>10%</td> <td>1000</td> </tr> <tr> <td>60-70</td> <td>15%</td> <td>1500</td> </tr> <tr> <td>70-80</td> <td>20%</td> <td>2000</td> </tr> <tr> <td>80-91</td> <td>25%</td> <td>250</td> </tr> </table>	50,000	NIL		50-60	10%	1000	60-70	15%	1500	70-80	20%	2000	80-91	25%	250	4750.
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80-91	25%	250															
<u>NET TO ASSOCIATION.</u>		<u>\$ 9111</u>															

YEAR 3
(+ 6% CPI)

2 ALLOCATED COURTS		2976															
5 ADDITIONAL COURTS SAT. (3HRS/4WKS)		2576															
2. ADDITIONA COURTS EACH AFTERNOON (3HRS/4WKS)		5721															
SHOP RENTAL		7113															
		<u>\$ 18219.</u>															
COURT HIRE \$85260	<table border="0"> <tr> <td>50</td> <td>NIL</td> <td></td> </tr> <tr> <td>50-60</td> <td>10%</td> <td>1000</td> </tr> <tr> <td>60-70</td> <td>15%</td> <td>1500</td> </tr> <tr> <td>70-80</td> <td>20%</td> <td>2000</td> </tr> <tr> <td>80-8536</td> <td>25%</td> <td>1465</td> </tr> </table>	50	NIL		50-60	10%	1000	60-70	15%	1500	70-80	20%	2000	80-8536	25%	1465	5965
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50-60	10%	1000															
60-70	15%	1500															
70-80	20%	2000															
80-8536	25%	1465															
<u>NET TO ASSOCIATION.</u>		<u>\$ 12151.</u>															

PROFIT FROM SALE OF BALLS (SAT. WED NO NIGHT COMP)

SAY 28 COURTS. ON SATURDAY

15 COURTS ON WEDNESDAY.

BALL COST \$7. SELL PRICE \$10.

PROFIT PER COURT \$3 /WEEK.

ANNUAL PROFIT $38 \times 3 \times 40 = \$4560.$

8.

EXPENSE SAVINGS.

THE COMMITTEE INVESTIGATED AREAS IN WHICH SAVINGS COULD BE MADE AND DETERMINED THAT ALL AREAS COULD BE TIGHTENED UP. HOWEVER THE MAJOR SAVINGS TO BE MADE WAS IN WAGES.

THE COMMITTEE AGREED THAT THE STANDARD OF CLEANLINESS AND MAINTENANCE PROVIDED THROUGH CURRENT ARRANGEMENTS SHOULD BE KEPT IRRESPECTIVE OF METHOD. IT WAS DISCUSSED AND AGREED THAT STANDARD COULD BE MAINTAINED THROUGH THE USE OF SUBCONTRACT CLEANERS ETC.

THE AREAS TO BE CLEANED :

- TOILETS
- GARBAGE BINS
- CLUBHOUSE
- GENERAL SURROUNDS.
- GRASS COURTS.
- GRASS TO BE CUT
- GARDENS TO BE MAINTAINED.

REGULARITY OF CLEANING :

	TOP		BOTTOM.	
	MORNING	EVENING	MORNING	EVENING.
MONDAY	2 HRS	2 HRS	1 HR	
TUESDAY	2 HRS	2 HRS		
WEDNESDAY	2 HRS		1 HR	
THURSDAY	2 HRS	2 HRS	1 HR	
FRIDAY	2 HRS	2 HRS.		
SATURDAY	2 HRS		1 HR	
SUNDAY.	2 HRS		1 HR.	
TOTAL CLEANING HOURS =		27 HRS.		

IT IS BELIEVED THAT A CONTRACT PRICE OF \$12/HR. COULD BE NEGOTIATED WITH AN INDIVIDUAL. ASSOCIATION WOULD PROVIDE MATERIALS.

WEEKLY COST	27 x \$12	= \$324 pw.
ANNUAL COST	52 x \$324	= \$16848.
	SAY	<u>\$20,000.</u>

LAWN MOWING AND OTHER GROUNDS MAINTENANCE
 SAY \$10,000.

TOTAL MAINTENANCE + CLEANING \$30,000.

COMPARISON THIS YEAR EXISTING CIRCUMSTANCES WITH
 NEW COACHING AND SUBCONTRACT ARRANGEMENTS

EXPENSES.

WAGES YEAR TO DATE 27/7.	\$33109.	
LAWN MOWING	2310.	
WAGES (ADD COSTS, INS. HOLS ETC)	4000.	
COST 9 MONTHS.	<u>\$39419</u>	
ANNUAL COST. SAY	\$53000	
SUBCONTRACTOR COSTS	<u>30000.</u>	
SAVINGS.		<u>\$23,000.</u>

INCOME.

COACHING FEES TO DATE	2289.	
SHOP RENT	2384	
9 MONTHS.	<u>4673</u>	
ANNUAL INCOME SAY	\$6500	
YEAR 1 COACHING WITHOUT UPFRONT PAYMENT	<u>9190.</u>	<u>2690.</u>
NET SAVINGS / ADDITIONAL INCOME		<u><u>\$25690</u></u>

11.

RECOMMENDATIONS

AFTER CONSIDERING THE VARIOUS ALTERNATIVES AND THE FOREGOING INFORMATION ALONG WITH THE BELIEF THAT THE ASSOCIATION SHOULD BE PROFITABLE TO PROVIDE FOR THE FUTURE, THE SUBCOMMITTEE RECOMMENDS :

1. FUTURE COACHING ARRANGEMENTS BE NEGOTIATED ALONG THE LINES INCLUDED IN THIS REPORT I.E. THE CONTRACT TO INCLUDE CONDITIONS WHICH REQUIRE THE COACH TO PERFORM SOME DAY TO DAY DUTIES ON BEHALF OF THE ASSOCIATION

AND 2. THE ASSOCIATION MOVE FROM EMPLOYING PERSONNEL TO THE USE OF SUBCONTRACTORS FOR THE CLEANING AND MAINTENANCE OF VAGHAWAN PARK COMPLEX.

SIGNED ON BEHALF OF
SUBCOMMITTEE.

MR. [Signature]